Daily Report

Latin America

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FBIS-LAT-90-222 *16 November 1990*

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Cuba

Rodriguez on Possible Trade With Japan

FL1511125090 Havana Tele Rebelde Network in Spanish 1100 GMT 15 Nov 90

[Text] Cuban Vice President Carlos Rafael Rodriguez has analyzed with leaders of the Japan-Cuba economic conference the possibility of increasing the participation of Japanese firms in our country's new economic development programs. During a work meeting, attended by Cuban Ambassador to Tokyo Amadeo Blanco, Carlos Rafael gave a detailed explanation of the current situation in Cuba, the tasks that are being held to face the economic difficulties that have come up, and the development outlook. The characteristics of the economic and trade relations between enterprises of the two countries were also discussed. The willingness of Japanese enterprises to increase their participation in the new economic plans of the Cuban economy, tourism included, was confirmed.

Rodriguez, Kaifu Discuss Ties

FL1511184890 Havana Tele Rebelde Network in Spanish 1800 GMT 15 Nov 90

[Text] It has been reported from Tokyo that Carlos Rafael Rodriguez, vice president of the Cuban Councils of State and Ministers, met today with Japanese Prime Minister Toshiki Kaifu, to whom he expressed our country's desire to have closer bilateral relations. The Cuban leader, who travelled to Japan to participate in the coronation ceremonies for Emperor Akihito, stressed the possibility of increasing cultural and economic exchange between the two nations.

Carlos Rafael described his government's opinion of these bilateral ties as positive and satisfactory. He also stated that he is aware of the problems that exist in the economic and trade relations between the two countries and the willingness to find a fair solution to them. For his part, Kaifu repeated his sincere desire to broaden and deepen this understanding and continue the exchange in various areas. Previously, Carlos Rafael had talked with leaders of the Japan-Cuba Economic Conference and other leading figures.

Ross Meets WFTU Leaders at Moscow Congress

FL1611033590 Havana Television Service in Spanish 0100 GMT 16 Nov 90

[Report by unidentified permanent correspondent in Moscow]

[Text] The 12th congress of the WFTU [World Federation of Trade Unions] today called for a strengthening of the organization. Almost all the speakers called for the preservation and strengthening of the organization, which groups a majority of the most progressive and anti-imperialist forces of the worldwide working class. In the past few hours, in the lobby of the (Rosia) Hotel and other sites reserved for this purpose, one could note an increase in the exchange of ideas among the representatives of participating organizations.

Pedro Ross, secretary general of the CTC [Cuban Workers Federation] and head of the Cuban delegation to the congress, today had many contacts and meetings, particularly with the top leader of the WFTU, Ibrahim Zakaria. Ross also talked today with Hassan Sunmonu, president of the Organization of African Trade Union Unity. Tomorrow's plenary session will be chaired by Pedro Ross Leal, vice president of the WFTU and head of the Cuban delegation.

Group Confesses to Ties With U.S. Officials

PA1511152590 Havana International Service in Spanish 1400 GMT 14 Nov 90

[Text] Members of a counterrevolutionary group, with proven ties to officials at the U.S. Interests Office, admitted to participating in activities to destabilize the Cuban Government. Their statements were made during the hearings of six members of the self-styled (?Indio Feria) group, which had been infiltrated by a Cuban security agent, who until January functioned as its vice president.

Addressing judicial authorities, Jose Jorge Valdes Castellanas, "Agent David," confirmed that the counterrevolutionaries maintained close ties with (William Bracy), first secretary of the U.S. mission in Havana, Third Secretary (Michael Simmons), and Press Attache (David Holland).

Meanwhile, the prosecutor was able to prove that the (?Indio Feria) group had planned to distribute flyers with counterrevolutionary slogans during the Havana carnival in 1989, but the operation was thwarted by David. The defendants face sentences ranging from six years in jail to a one-year suspended sentence.

Inter-Caribbean Affairs

Constituent Assembly Meets To Advance Unity

FL1511183590 Bridgetown CANA in English 1614 GMT 15 Nov 90

[Text] Kingstown, St. Vincent, Nov 15, CANA—Non-governmental organisations in St. Vincent were taking part in a one-day national consultation on a constituent assembly being set up to advance political unity in some small Caribbean countries.

The consultation is being co-ordinated by the local consulting agency, Projects Promotions, and its projects organiser, Cecil Ryan told CANA it is expected to discuss three major areas of concern to the organisations.

These are needed for the assembly to be given a legal mandate instead of the existing status which allows for the governments of the islands to dismiss it if it so desires; a suggestion that a politically independent

person chair the sittings of the proposed assembly, and not the various speakers of the House of Assembly as is being proposed by the governments; and the exclusion of women as a special sector on the assembly.

Ryan said his organisation hopes to come up with a plan of action to inform nationals on the shortcomings of the assembly and the way they can address these by making their own inputs, as well as develop a position to present at a regional consultation on the proposed assembly being organised by the Caribbean Peoples Development Agency for November 20-21 in Kingstown.

The national consultation is expected to bring together representatives of the Christian Council, the National Youth Council, the National Farmers Union, and the Joint Workers Council—all of which have been invited to sit on the proposed constituent assembly—as well as the National Council of Women, and the Sponsors Projects Promotions. The proposed assembly is scheduled to hold its first sitting here on November 26.

Its establishment is part of a plan by Dominica, St. Vincent, St. Lucia, and Grenada to establish some form of political union, with other Caribbean nations expected to join later.

Antigua and Barbuda

Jurist Urges Melon Farm-Arms Investigation

FL1511204590 Bridgetown CANA in English 1955 GMT 15 Nov 90

[Report by Rickey Singh]

[Text] Bridgetown, Barbados, Nov 15, CANA—Members of the Antigua and Barbuda Cabinet say they favour a new judicial probe into a melon farm a controversial Israeli businessman had operated in the twin-island state.

The probe of the farm Maurice Sarfati had operated and of the ties between the businessmen and the Antigua government topped the list of 24 recommendations made by British jurist Louis Blom-Cooper after investigating a 1989 guns-and-drugs scandal. Cabinet members, who said they did not want to be quoted, told the Caribbean News Agency [CANA] in a telephone interview they wanted quick action on the recommendation. Opposition members in St. John's have also been urging the government to speedily act on the Sarfati recommendation and the others contained in the report.

The government on Wednesday announced it had accepted all the recommendations and had started taking action—which it did not detail—on them. Among the 24 recommendations listed in the Blom-Cooper report and obtained exclusively by CANA, was the barring from holding "any public office again" of the Prime Minister's eldest son, Vere Bird, Jr., and the immediate dismissal of commander of the Antigua and Barbuda Defence Force, Lt. Colonel Clyde Walker.

Specifically, the British jurist who spent the past five months investigating the illegal arms deals involving Antigua and Barbuda, Israeli mercenaries, and Colombian drug barons, feels that this latest judicial probe should cover the period 1985-1987, between Sarfati and the government of Antigua and Barbuda. According to one senior government minister, the prime minister would be well advised "to speedily implement the decisions relating to those recommendations."

Contacted today by CANA for his reaction to the Blom-Cooper report and his father's announced acceptance of recommendations as they affect him, Vere Bird, Jr., the former communications and public utilities minister, said: "I am not saying anything now. I am not commenting." Investigators claimed Bird, Jr, then national security advisor, had sanctioned the purchase of the Israeli rifles and ammunition. The office of the commander of the Antigua and Barbuda Defence Force said that Lt. Colonel Walker "is on leave." But walker could not be reached by phone for his own reaction to the findings and recommendations of Commissioner Blom-Cooper.

Both Bird, Jr. and Walker have said they are innocent. A United States law firm is currently investigating aspects of businessman Sarfati's melon farm, including accumulation of a U.S. 8 million dollar debt and promissory notes, amounting to U.S. 4 million, which appeared under the signature of the country's agriculture minister.

But Commissioner Blom-Cooper, who has identified Sarfati as an "adventurer" and the key figure in the involvement of Commander Walker and Vere Bird, Jr. in the illegal arms shipment from Israel, feels that the judicial probe he has proposed is the more appropriate and less expensive mechanism to get at the bottom of Sarfati's alleged dealings.

Commissioner Blom-Cooper's observations about Sarfati, Bird, Jr., and Commander Walker form part of the chapter of his report on "The Background to Events," leading up to his inquiry. The issues covered in this chapter include Sarfati's relations with the Antigua government; the international supply of arms, and Israel's involvement in "arming the Antigua and Barbuda Defence Force."

The Israeli government itself, Blom-Cooper has recommended, should "take further steps to look at the procedures for issuing licences to export arms and ammunition, and should conduct further enquiries into how the arms shipment to Antigua was effected by Mr. Maurice Sarfati, Brigadier-General (Pinchas) Shachar," and others. These Israelis, Blom-Cooper feels, should be called upon to explain their own involvement with Sarfati in the controversial arms shipment, some of which ended up in the hands of Colombian drug dealers and terrorists.

Within two years of Sarfati's arrival in Antigua and Barbuda, he had become a special envoy, with diplomatic status, of the twin-island state, according to Blom-Cooper, who has described him as "a man of dynamic

energy, huge enterprise, and easy winner of confidences, particularly from those at the seat of government in Antigua..."

Sarfati had an "uncanny knack", Blom-Cooper further noted, "of forging links with ministers and public officials without too much scrutiny of his credibility and integrity."

"The story of the melon farm trail, and other incidental events", according to the British jurist, "discloses a tale of insinuation and influence of a man with a remarkable talent of getting from a vulnerable administration in Antigua almost anything he desired...."

Bahamas

Central Bank Governor Urges Credit Restraint

FL1511165590 Bridgetown CANA in English
1607 GMT 15 Nov 90

[Text] The Bahamas, Nov 15, CANA—Clearing banks in the Bahamas will now require customers to put down 35 per cent on most consumer loans, an increase of 10 per cent.

The Central Bank of the Bahamas, voicing concern about "disquieting trends" in respect of the country's foreign reserves, this week directed the clearing banks to advance no more than 65 per cent on consumer loans. Medical and educational loans are exempt.

The move—designed to ease the tight liquidity and the pressure on foreign reserves—is expected to have an impact on Christmas sales, bankers say.

Hal Jacobsen, area manager of the Royal Bank of Canada in the Bahamas, said he fully supports the measure.

The directive was the second received by the clearing banks in less than two weeks. In a letter to the clearing banks on October 30, Central Bank Governor James Smith urged the banks to exercise constraint in the expansion of overall credit and in particular consumer credit.

Smith disclosed that private sector credit expanded by 61.4 million dollars (U.S.) during the first eight months of 1990 as against 45.1 million dollars in the corresponding period last year.

Consumer instalment credit witnessed expansion of 22.6 million dollars through the end of August, 1990. "The expansion in the month of August alone amounted to as much as 10.4 million dollars which constituted 46 per cent of the total," Smith said in his letter to bankers.

"This phenomenon has caused undue pressure on the external reserves which decline sharply during the current month and now stand at 142 million dollars. This situation cannot be viewed with complacency," he warned.

"In view of these disquieting trends, we would like to stress the imperative need for the banks to exercise restraint in the expansion of overall credit and in particular consumer credit."

The Central Bank will keep "under close scrutiny" the lending position of individual banks to ensure that credit expansion is contained and levels of credit in some categories are more or less pegged at existing positions for the year, Smith's letter says.

Smith told CANA [CARIBBEAN NEWS AGENCY] that while the Bahamian economy shows all the signs of a slow-down, the level of imports is going up. It would appear, he said, that the Bahamian consumer does not seem to view "that there are storm clouds on the horizon."

"The general message is that we don't see a doomsday outlook, but what we do see is uncertainty and noting that there may be uncertainty in the near future, we ought to make some adjustments," he said. A liquidity crisis developed in the Bahamas two years ago because of a too rapid expansion in consumer credit.

Living Standard Said Putting Dollar at Risk

FL1511201590 Bridgetown CANA in English
1559 GMT 15 Nov 90

[Report by Mark Lee]

[Excerpts] [passage omitted] With the current slowdown in tourism—the country's main foreign money earner, a 121 million dollar foreign debt that the Central Bank feels could be doubled in two years, and a population which has become used to luxury—bank governor James Smith is urging caution.

"In the minds of most Bahamian workers, jobs are here forever," says Smith, adding that his countrymen will have to be taught that it's not necessary to change a car every year. He has been putting measures in place to encourage credit restraint aimed at protecting jobs and maintaining the exchange rate.

On November 12, he sent a letter to banks asking them to increase their equity-to-loans ratio from 25 percent to 35 per-cent. The thinking is that if banks will not advance financing above 65 percent, consumers will be forced to save before they go spending. It will not be an easy task to influence a population which some say has been spoiled by success over the past 20 years.

Since it gained independence from Britain in 1973, the Bahamas has steadily built on tourism which some say was founded by the Mafia in the 1920-33 Depression when the country became a prime bootlegging centre.

There is not much racial tension these days between the 85-percent black popultion and the minority whites. Rather, the butt of social ridicule is the Haitian who lives in slums by the public dump and areas abandoned by upwardly mobile Bahamians. Social observers say the family unit is falling apart under this strain; workers

have developed an attitude of indifference; drugs—abuse and trafficking—are taking their toll; and serious crime is on the increase.

Added to that is the presence of a Haitian illegal immigrant population which Central Bank Governor Smith says could be between 40,000 and 50,000 who do not pay taxes since they try at all costs to avoid the legal authorities. They are in addition to the approximately 250,000 people who inhabit the islands scattered from East of Florida to the northwestern tip of Cuba. Some 180,000 of them are crammed onto the seven-by-21-mile island of New Providence on which the capital, Nassau, is sited.

Steadily the population continues to drift away from farming and fishing on what are known as the Family Islands to the metropoles of Nassau and the second town of Freeport on the island of Grand Bahama. Small villages are left behind with populations in the hundreds for the bright lights of casinos and cruise ships. Mainly the Haitians are there, farming provisions.

With a per capita income—measured by gross domestic product—of close to 10,000 dollars, Bahamian workers are the wealthiest in the Caribbean Community (Caricom).

[passage omitted] Murders were up last year from 36 to 46, and robberies moved from 1,119 in 1988 to 1,180 last year. Still then, overall reported incidents of crime were down by 7.1 percent in all the islands and 3.5 percent in New Providence.

Whether drug abuse led to family break-up—single-parent families—and crime, or the breakdown in family structures, created the other ills is a moot point.

"There is a spiritual vacuum that we have to work hard on," says Anglican Archdeacon Murillo Bonaby. He says the church which "had capitulated on its responsiblities" must instill in the people the need to care for neighbours, to work for earnings, to care for one's body, and to be caring for the environment. He feels strongly that it is the acceptance of North American standards of male-female relationships, and feminism, which might be negatively affecting Bahamian males. The drug culture too is having more effect on males than females, he argues, and "males are opting out" of mainstream society.

Women's and children's rights activist, Allyson Gibson, estimates that 50 percent of families are headed by a single parent. She is campaigning for government-sponsored daycare centres because there are parents who are locking children away in the days to go to work. She notes also that with improved health care and people living longer, old people are being abandoned. In the area of offences against women and children, she notes critically that the sexual offences and domestic violence bill tabled in Parliament last year is still to be passed.

"The strength of society is the family," she declares. "Violence, crime, drugs, that is the result of (the breakdown)." Gibson, a lawyer, is encouraged that the government has promised to set up a commission on the family in 1991 to examine the pressing issues.

President of the Medical Association of the Bahamas, Dr. Robin Roberts, laments that Bahamian consumerism extends to health care. While the country retains a high 90 percent of the doctors it trains, and has a doctor-to-population ratio of one-to-1,000, the average Bahamian still hops an aeroplane to Miami to buy more sophisticated services. The main problem he sees is the management of the health care system.

He says while 90 million dollars were allocated to health in the 1990 budget, the government could only hope to recover 10 million dollars from the minimal 10-dollar service charge that applies to rich or poor. The main killers in the Bahamas are heart disease, trauma from accidents and violence, and cancer.

What ails the country, therefore, is its economy. There is crisis or impending crisis in the tourism and offshore financial sectors which employ the vast majority of the 120,000 workforce. Some 4,000 are in the offshore sector. While unemployment figures are not kept, Smith estimates it to be about 12 percent and government critics go as high as 25 percent.

As he seeks to encourage Bahamians to save more than they spend, the country still has to depend on imports for 82 percent of its GDP. A devaluation would make imports more expensive and make the tourist product more expensive, Smith argues. He says that maintaining the foreign exchange rate will depend on what "the government will do on the fiscal side."

He speaks of whole or partial privatisation of the electric company, sale of properties held by the Hotel Corporation of the Bahamas, and revenue enhancement measures "since the government's accounts receivable exceeds the deficit in revenues and customs duties."

"The whole idea I think is for us to become a bit more cautious and recognise that there are such things as business cycles, and because we have been on the upside of a a very long cycle, we should accept now that we may be coming to the end of that ride," says Smith. "And we have to learn to make our own adjustments rather than have them externally imposed," he warns.

Some historians say Colombus first landed in the New World on the Bahama Island he renamed San Salvador. It is the celebration of the 500th anniversary of this arrival which Bahamians are hoping will give the much-needed fillip to its flagging tourism and economy.

Telecommunications Workers Win Pay Hike

FL1511210090 Bridgetown CANA in English 2001 GMT 15 Nov 90

[Text] Nassau, the Bahamas, Nov 15, CANA—Bahamas Telecommunications Corporation workers have won a 17 million dollar (U.S.) pay increase over the next three years.

The government corporation signed the new three-year agreement with the Bahamas Communications and Public Officers Union Wednesday. The total cost in pay increases represents an appreciable improvement over the 13 million dollar total cost of the previous contract, said union president, Senator Keith Archer.

Haiti

Correction on CEP Official Discussing Elections

FL1411134590

The following correction pertains to the item headlined "CEP Official Casmir Comments on Elections" published in the 14 November issue of the Latin America DAILY REPORT, page 10:

Column two, make sourceline read: Port-au-Prince Radio Nationale in Creole 1400 GMT 13 Nov 90... (correcting time and date)

Column two, last graf, last sentence make read: ....them. [passage omitted] [end recording]... (providing editorial notation)

St. Christopher and Nevis

Sugar Importation Required To Meet Local Needs

FL1511150690 Bridgetown CANA in English 1400 GMT 15 Nov 90

[Text] Basseterre, St. Kitts, Nov 15, CANA—St. Kitts, once a leading regional exporter of sugar, is now facing the prospect of having to import supplies to meet local demands, according to industry officials.

Officials at the state-owned St. Kitts Sugar Manufacturing Corporation (SSMC), and the sole local distributor, S. L. Holsford, on Thursday confirmed that supplies of brown sugar have been depleted. They say no more locally produced brown sugar will be available until early next year, when the sugarcane harvest begins.

The Ministry of Trade and Industry said arrangements have been made to import sugar "to alleviate the shortage, and to minimize any inconvenience suffered by consumers." An official at the ministry said this situation has arisen as a result of the low production of sugar this year and the associated problems of meeting the European Economic Community (EEC) quota, "because of extensive damage suffered by the sugar industry during the passage of Hurricane Hugo last September."

This year's sugar harvest which ended in July yielded 15,178 tonnes of sugar, of which 10,950 tonnes were exported to the European and American markets. Output has been in a state of steady decline over the years.

Lee Moore, president of the St. Kitts/Nevis Trades and Labour Union, said: "From a production of 40,000 tonnes in 1979, output had declined to 15,000 tonnes in 1990, placing our European and U.S. quotas in peril."

Trinidad and Tobago

Union Urges Government To Stem Capital Flight

FL1511145090 Bridgetown CANA in English 1348 GMT 15 Nov 90

[Text] Port of Spain, Trinidad, Nov. 15, CANA—A trade union has suggested the Trinidad and Tobago government establish an agency with the power to investigate the foreign accounts of nationals in a bid to stem capital flight.

The Bank and General Workers Union (BGWU) complained that the flight of capital through over- and under-invoicing was crippling the country. The union said it found an "increasingly dangerous and uncontrollable level of capital flight occurring annually in the national economy." This, it said, was "crippling and gravely shattering the very economic and political fabric of the society."

"Vital investment funds which are required for economic expansion are being illegally send abroad via the over-invoicing of imports and under-invoicing of exports mechanism," the union complained in a statement Thursday. The union estimated that Trinidad and Tobago may have lost "a conservative" 6 billion dollars (one TT dollars = 23.5 cents U.S.) by these means since 1983.

To arrest the "virtual hemorrhage" on the country's foreign exchange, the union recommended establishment of an appropriate mechanism at the Central Bank to monitor the illegal practice of over- and under-invoicing. It called for the country's foreign embassies to properly investigate and submit reports on prices of capital and goods.

The union also calls for a training and education of the population on the negative and debilitating effects of capital flight on the national economy.

Court Dismisses Black Muslim Amnesty Motion

FL1511160390 Bridgetown CANA in English 1332 GMT 15 Nov 90

[Text] Port of Spain, Trinidad, Nov 15, CANA—A preliminary enquiry into murder, treason, and other charges against a group of Black Muslims was set to resume in Trinidad and Tobago Thursday. The way for the resumption was cleared Wednesday, when the San

Fernando High Court dismissed a constitutional motion seeking freedom for 114 members of the Jamaat al Muslimeen.

Lawyers for the Black Muslim group charged in connection with a coup attempt last July had argued that acting President Emmanuel Carter signed an amnesty during the crisis, ruling out the rebels' being charged. However, high court Judge Lloyd Gopiesingh said: "I hold that the common law is the only remedy available to applicants in raising a bar to prosecution."

He added: "It's only if applicants are prevented from raising pardon on a special plea in bar, there is in my respectful view that any contravention of their rights could have been occasioned."

The Muslim group faces 22 charges arising from the coup attempt, which claimed 24 lives. In a related development, Guyanese Senior Counsel Doodnauth Singh has been trying to get bail for Anisa Abu Bakr, wife of Jamaat al Muslimeen leader Yasin Abu Bakr.

Mrs. Bakr was arrested on August 1. The police said she shot at them. She also illegally possessed arms and ammunition, they reported. Soon after the arrest, application for bail was denied by a judge. According to the police, Mrs. Bakr is also being detained under the emergency powers regulations since it was believed she had "prior knowledge" of the plans by her husband and other Muslims to "violently overthrow the government." Magistrate Beecham Maharaj told Singh he would prefer to hear all evidence before giving consideration to bail.

El Salvador

Ponce Says Government Supports Cease-Fire

PA1511233690 San Salvador Radio Cadena YSKL in Spanish 1730 GMT 5 Nov 90

[Text] Defense Minister Colonel Rene Emilio Ponce announced today that the Armed Forces are willing to approve a cease-fire at the next round of negotiations if the Farabundo Marti National Liberation Front [FMLN] fosters the neces.ary conditions. In statements to the press, the military chief said that the FMLN does not truly desire peace, and he asked the pressure groups that issue public statements to speak out directly against the guerrillas.

[Begin recording] [Ponce] The government is making every effort to seek an agreement and to establish the rapprochement that will definitely lead to the achievement of a cease-fire, because we believe that a cease-fire (?is necessary) and the people deserve one. It is the FMLN that does not want the cease-fire. I believe that the pressure exerted by groups that issue public statements should be directed against the FMLN so that there can be lasting peace and an atmoshpere of tranquillity in the country.

[Reporter] Does the Armed Forces agree or is it willing to agree to a cease-fire with the guerrillas?

[Ponce] The president said it publicly at the United Nations, and we are doing our part. We are totally subordinate to the political arrangements, policies, and strategies that the government designs to achieve peace in our country. I can tell you categorically that we are willing to establish a cease-fire. [end recording]

Col. Ponce, who today attended events marking another anniversary of the country's independence, reiterated that the Armed Forces are subject to the pacification policies designed by the governn.ent. He also said that the election mechanisms constitute an effort by the government to strengthen democracy in El Salvador, adding that regarding the 1991 elections, the FMLN has hinted that it is facing a number of internal conflicts.

[Begin recording] [Ponce] I believe that every effort that is made to legitimize and strengthen the democratic process in our country is a positive effort in favor of peace.

I believe that the era of dictatorships is behind us. This is why we hold elections, because they represent the Salvadoran people's resolve to elect their authorities at the different levels.

I can see also, and I will not talk about [word indistinct] but about what the terrorist leader Joaquin Villalobos has said. He has attacked and rejected the elections. Meanwhile, in Mexico, the interparty commission has spoken to other FMLN leaders in a different manner. There is an internal division within the FMLN; some of them truly believe in the dialogue process as a solution to the crisis and others have maintained their warmongering, stubborn, and inflexible attitudes. This last group is really blocking the dialogue process.

The interparty commission has made an effort to reform the electoral process to truly contribute to strengthening democracy in El Salvador. The commission presented reforms to the government and the government accepted them; it presented them to the FMLN, and I believe there was a certain degree of acceptance, but there are negative voices like Villalobos' which are opposed to the reforms. We must identify who does and does not want peace in El Salvador. [end recording]

Concerning the discovery of Norwegian-made weapons in El Salvador, the defense minister said he did not have any detailed information on the subject, and pointed out that the Salvadoran Government only purchases weapons from the United States, which is in charge of supplying it weapons. Concerning the military operation in Guazapa last week, Col. Ponce said that he had been informed of the mobilization of insurgent groups in the area. He said that the Armed Forces have devoted itself 100 percent to this operation, but explained that so far there have been no specific results on the operation. Ponce said that this Armed Forces operation has lessened the likelihood of the offensive that the FMLN has insistently announced for the month of November.

FMLN Wants Elections Included in Negotiations

PA1511123290 (Clandestine) Radio Venceremos in Spanish to El Salvador 0000 GMT 14 Nov 90

[Communique issued by the Farabundo Marti National Liberation Front (FMLN) General Command in El Salvador on 13 November]

[Text] The FMLN feels that elections constitute the appropriate means for taking office in a democratic system. The upcoming elections, however, like the previous ones, will be held in the absence of democratic conditions. Opposition forces will participate at a disadvantage, the country will be militarized, and justice will be conspicious for its absence now that almost one year has gone by since the Jesuit priests were murdered.

Since last April, when the negotiations began, there has been sufficient time to create those conditions, which may have even made it possible to hold the upcoming elections within a cease-fire. The government's intransigence, however, has blocked any breakthrough in this process. In view of the above, we state that:

1. For the elections to be valid they must form part of the negotiations.

2. Without agreements in the overall negotiations, especially on the point of the Armed Forces, elections are not free or honest.

3. Despite efforts conducted by the opposition parties, the agreements reached are not enough to hold democratic elections because they will be held in a climate of repression.

4. International verification is necessary because a negotiation process exists, and the United Nations is participating in it. International verification, however, cannot change the prevailing conditions and can only play a useful role if it stems from an agreement by the sides involved in the negotiations.

5. Unless the situation is changed, the danger exists that the upcoming elections will be held in a militarized country in the midst of a war that has spread even further.

6. The FMLN has taken steps to establish a new procedure in the talks. For that reason, we call on the government to adopt a flexible stance to accelerate the negotiations. It is only in that way that the 1991 elections for mayors and deputies will contribute to peace.

FMLN General Command

El Salvador, 13 November 1990

[Signed] Commanders Salvador Sanchez Ceren, Francisco Jovel, Eduardo Sancho, Jorge Shafik Handal, Joaquin Villalobos

Clashes Between FMLN Guerrillas, Army Reported

PA1511154290

[Editorial Report] (Clandestine) Radio Venceremos in Spanish to El Salvador at 0000 GMT on 1 November broadcasts 12 minutes of military reports on clashes between Farabundo Marti National Liberation Front (FMLN) guerrillas and Salvadoran Army troops. The first report states that at 0700 on 1 November, FMLN guerrilla units clashed with Trueno Battalion troops from Military Detachment No. 5 in (Pepeto) Canton, Tenancingo Jurisdiction, Cuscatlan Department. "As a result, we inflicted one casualty, which we evacuated at 0800 by a transportation helicopter," Venceremos reports.

Another report adds that at 1500 on 31 October, FMLN guerrilla units opened fire on Army troops that were moving from Tenancingo to the area of (Pepeto). The troops belonged to a Trueno Battalion company from Military Detachment No. 5. "As a result, two casualties were inflicted," the FMLN claims. According to the next report, at 0115 on 31 October, FMLN units clashed with a Fonseca Battalion company from Military Detachment No. 3 in the general area of Nube Hill, Corinto Jurisdiction. "The enemy suffered one casualty," according to Venceremos.

Rehashing the FMLN activities during the first ten months of the year, Venceremos says 4,964 casualties have been inflicted on the Army, an average of nearly 500 casualties per month. According to the FMLN, this figure includes 64 officers and 133 noncommissioned officers. Venceremos adds that 55 soldiers surrendered to the FMLN during this 10-month period. "In ten months, more than 100 aircrafts have been put out of order, 33 helicopters have been destroyed or shot down, and 67 helicopters have been damaged. In addition, 275 weapons were seized, 34 trucks were destroyed or partially destroyed, and eight tanks were hit by our fire. As for sabotage, 97 utility poles were destroyed, resulting in heavy losses for the government," Venceremos said.

(Clandestine) Radio Venceremos in Spanish to El Salvador at 0200 GMT on 2 November broadcasts four minutes of military reports on clashes between FMLN guerrillas and Salvadoran Army troops. The first report says that at 1000 on 1 November, FMLN guerrilla units attacked Arce Battalion troops, who were moving westwardly in Pericon Hill. "During this attack, we inflicted two casualties on the enemy," Venceremos says. Another report states that on 31 October, FMLN militias took control of a stretch of the Panamerican Highway between La Troncada canton and the detour to San Cristobal, Lolotique jurisdiction, San Miguel Department. "Five utility poles were sabotaged," the FMLN claims. The report adds that on 31 October, FMLN guerrillas took control of a stretch of the road between Chapeltique and Ciudad Barrios for three hours. "Two utility poles were sabotaged there," Venceremos says.

(Clandestine) Radio Venceremos in Spanish to El Salvador at 0000 GMT on 7 November broadcasts a four-minute military report on clashes between FMLN guerrillas and Army troops. The report states that at 1730 on 5 November, FMLN urban commando units simultaneously attacked Army troops in San Francisco neighborhood, near government offices (centro de gobierno), La Esperanza neighborhood, and in the vicinity Maria Auxiliadora Church in San Salvador. The military action was called: Independence and Democracy Revolutionary Maneuver on occasion of an anniversary of the first cry for independence on 5 November. "Preliminary reports say that the Army suffered 11 casualties," according to the FMLN.

San Salvador Canal Doce Television in Spanish at 0300 GMT on 8 November broadcasts a one-minute military report released by the Coprefa [Armed Forces Press Committee] saying that the two civilians, who were killed near the Isidro Menendez Judicial Center on 5 November, had been hit by AK-47 rifle fire, supposedly shot by FMLN guerrillas.

(Clandestine) Radio Venceremos in Spanish to El Salvador at 0000 GMT on 9 November broadcasts two minutes of military reports on clashes between FMLN guerrillas and Salvadoran Army troops. Venceremos reports that on 5 November, the FMLN guerrillas sabotaged a utility pole in a place known as Las Mesas canton, Chinameca Jurisdiction, San Miguel Department. The action took place at 2300. Another report states that on 2 November, FMLN urban commando units executed two members of the National Guard in

Ahuachapan. A 45-caliber pistol was seized. The guards had been reporting on guerrilla activities among the population, Venceremos says.

Rosa Chavez Discusses Jesuit Murder Case

PA1611001090 San Salvador Radio Cadena YSU in Spanish 1730 GMT 6 Nov 90

[Text] The Catholic Church is hopeful that on the first anniversary of the murder of the Jesuit priests that the Armed Forces and the government will have new developments. The eyes of the entire world will be looking at El Salvador and the anniversary provides an exceptional opportunity to issue a declaration, assume a new position, or report a specific deed.

According to Msgr. Gregorio Rosa Chavez, a new development in the Jesuit case could take place because delegations from all over the world will come to our country to commemorate the anniversary of the murder. The date is too important to let go by without something happening, and if it does go by, then the Catholic Church will interpret it as a negative sign, Msgr. Rosa Chavez said.

[Begin Rosa Chavez recording] A bishop used to say that the anniversary provides the opportunity....[changes thought] I hope that something special will happen on this anniversary because the opportunity is excellent. The eyes of the entire world will focus on El Salvador. In efforts to resolve this murder, I hope that the government and the Armed Forces will either issue a declaration, assume a new position on the case, or take a specific action. These are the kind of events I am referring to

I am not saying that the government and the Armed Forces will make something happen, but that this is the right time for them to do so. The time would be so appropriate because we have so many delegations from all over the world here. I think that this is an extremely important occasion [words indistinct] one more day. If this happens, I will interpret it as a bad indication. [end recording]

Despite having hopes about the case being solved, the Catholic Church has hinted at the possibility that U.S. citizens may be directly or indirectly involved in the killing of the Jesuit priests. This is a very delicate question that must be considered, said Msgr. Rosa Chavez, who added that U.S. participation in the killings is probably the reason why the U.S. State Department and the Salvadoran Army have blocked the investigations.

Msgr. Rosa Chavez said that the Catholic Church insists on investigating this case because it is believed that this was not an isolated action, but rather a process where human principles were violated. According to the Catholic Church, there are three ways to interpret the United States' reluctance to deliver, without deletions, a number of documents to the Salvadoran authorities.

[Begin Rosa Chavez recording] One can interpret this reluctance in several ways. First, we wonder what the documents say. Second, why is that information being withheld. And third, are any U.S. citizens directly or indirectly involved in this crime. This is a very delicate question. Upon supporting Father Jose Maria Tojeira's decision to request that the documents be delivered to the authorities, I think that we are trying to say that the murders were not the result of a hasty action. We believe it is the result of a process in which respect for human life was violated. The perpetrators forgot that ideas are not fought with bullets and that society needs to accept that some things must change.

We do not know if there will be progress regarding the [words indistinct] of this request. I think that the information being withheld, however, is essential in understanding that the problem which lead to the murders of six priests has many origins. I cannot predict the outcome of the request for the information.

I think that the public will realize, however, that things are not as simple as people might believe. Therefore, the solutions are not easy. There are many factors which have to be considered and many aspects which have to be worked out to resolve this conflict so that we can live in peace. [end recording]

Msgr. Rosa Chavez hopes that the new dialogue process will help the country attain peace. We are beginning a new period in the peace process in which the war is a thing of the past, said Msgr. Rosa Chavez. Meanwhile, President Alfredo Cristiani has said that the case is continuing, but one year after the murders, he has not hinted at any new developments.

Cristiani Called Accomplice in Case

PA1611020890 San Salvador DIARIO LATINO in Spanish 14 Nov 90 p 1

[Text] Today, the UNTS [National Union of Salvadoran Workers], a primary opposition labor group, charged that President Alfredo Cristiani is an accomplice in the 16 November 1989 murders of six Jesuit priests and their two employees.

The UNTS leaders suggested that during a meeting held by the command staff of the Armed Forces on the night of 15 November 1989, it was decided that several union leaders and the Jesuit priests would be murdered.

Mario Cabrera, an UNTS leader, said that the plan to kill the Jesuits had been supported by President Cristiani and the rest of the high-ranking officers who participated in the meeting. According to some officers, the meeting was originally held to discuss a plan to get the guerrillas out of high and low income neighborhoods in San Salvador.

The union leader said that the investigation into the case has not progressed because the authorities want to protect high-ranking officers who, along with the president, are implicated in this crime.

The massacre occurred almost a year ago and different opposition sectors have said that the investigations must continue so that the guilty can be punished. The murders occurred as the Farabundo Marti National Liberation Front guerrillas were launching their strongest offensive of the decade.

UNTS said that this crime, as well as other murder cases, must be solved so that people will believe in the Salvadoran justice system.

'Thousands' Commemorate Anniversary

PA1611030090 Hamburg DPA in Spanish 0104 GMT 16 Nov 90

[Text] San Salvador, 15 Nov (DPA)—Thousands of workers, students, peasants, citizens in general, and foreign delegations, carrying lighted torches, began a march this evening, starting from San Salvador's downtown area and ending at the Central American University (UCA) campus, where they will hold a vigil to commemorate the first anniversary of the killing of six Jesuit priests and their two employees.

The murders occurred early in the morning of 16 November 1989 at the UCA campus. Nine military officers, including one colonel, are reportedly involved in the murder. Local and international organizations are demanding a clarification of the case, claiming there were masterminds behind the killings, in addition to the actual killers.

The march followed a rally that was held at the Civic Plaza in front of the National Palace, which once housed the Legislative Assembly and several ministries.

Literature from various mass organizations was distributed during the rally, demanding justice in the case of the Jesuits, and also in other crimes, such as the murder of 12 labor union leaders on 31 October 1989 when a labor union office in San Salvador was blown up with dynamite. The groups also called for justice in the case of the murder of Archbishop Oscar Arnulfo Romero in March 1980, as well as others.

The people's movement also demanded a national dialogue and realistic agreements in the negotiations and dialogue between the government and the guerrillas in the search for peace. The activists carried posters pointing out that this will be achieved only when the military institution is punished for its crimes, society is demilitarized, and military power is placed under civilian authority.

Other posters carried during the demonstrations also attacked U.S. Ambassador William Walker and demanded he leave the country, charging him with covering up in the case of the Jesuits, as it is believed he is withholding evidence that could help clear up the massacre.

Meanwhile, President Alfredo Cristiani has been out of the country since 9 November, when he travelled to Japan to attend the imperial ceremony. He asked permission from the Legislative Assembly to return on 19 November.

This afternoon, it was reported that an organization called the Communities of El Salvador Foundation [Patronato de Comunidades de El Salvador], Padecoes, was raided by a group of National Guardsmen who arrived in a truck. They did not, however, take anyone away or find anything. One of the employees said: "They asked for the employees' names, and their sudden visit seemed strictly for the purpose of imposing psychological fear."

It was learned from military sources that there were also other raids in various sectors of the capital, and that these actions are part of the Armed Forces' measures to prevent attacks on military targets or military patrols, such as the one carried out in recent days by urban guerrilla commando groups.

Spanish Delegate Interested in Case

PA1511221590 San Salvador Canal Doce Television in Spanish 0300 GMT 15 Nov 90

[Text] The Spanish parliamentary delegation visiting the country met today with Legislative Assembly leaders. During the meeting the head of the Spanish delegation voiced his concern over the slowness of the judicial proceedings in the Jesuits' murder case. The Spanish delegation was invited to El Salvador by the local Jesuit community to commemorate the first anniversary of the murder of the priests.

The Spanish delegation met this morning with the president of the Salvadoran Legislative Assembly and three other Legislative Assembly leaders who are members of the Nationalist Republican Alliance. The leader of the visiting delegation, who is a Spanish parliament representative and member of the Spanish Socialist Party, expressed his parliament's concern about the slowness of the investigation into the killings.

[Begin unidentified Spanish delegate leader recording] The slowness of the procedures in the investigation is a source of concern. According to the information we have, the case has not been investigated fully, and all the people who might be involved have not been indicted. This is the main reason why we are concerned. [end recording]

The Spanish representative said that one cannot speak of a democratic process taking place in El Salvador as long as this case is not solved and the people responsible are not charged. He hinted that how this case is resolved will determine future political actions by the Spanish Parliament and Government.

[Begin recording] [Spanish delegate leader] The other day, the Spanish foreign minister went to a commission meeting, which I chaired,—he does this once a month—and said that the Spanish Government is closely watching the proceedings.

[Reporter] What do you mean?

[Spanish delegate leader] This means that the government is interested in how the case is solved or not being solved. This means that the attitude of the Spanish Government could change if the case is not handled correctly and promptly. [end recording]

During the interview, the Spanish delegation showed special interest in the forthcoming round of talks between the Salvadoran Government and guerrillas. In the next few days, the Spanish delegation, which is composed of members of the Spanish senate and various political parties, will be meeting with military, government, and Catholic Church authorities.

PDC Urges Investigation Into Member's Killing

PA1611031190 Hamburg DPA in Spanish 1549 GMT 13 Nov 90

[Text] San Salvador, 13 Nov (DPA)—The Christian Democratic Party [PDC] condemned today the killing yesterday afternoon of one of its leaders and urged the government to conduct an investigation so that the crime does not go unpunished.

PDC Secretary General Eduardo Colindres has told DPA that upon returning last night from Guatemala, where he acted as an observer in the presidential elections in that country, he "discovered that Juan de Dios Mira had been murdered a few hours earlier." Mira, a former post office administrator, was a distinguished labor leader and PDC militant.

The former Duarte administration official was riddled with bullets yesterday afternoon in San Antonio Abad neighborhood, in the capital's northwest sector, by armed people traveling in a taxi. Mira, already wounded, stepped out of the vehicle and cried out for help, but one of the attackers shot him again in the back twice.

Colindres said today that making accusations about the killing is irresponsible, but he added that the government should investigate the attack because it could be politically motivated, especially now that El Salvador is approaching an election period, a period during which the ultrarightist forces unleash their fury against leaders of parties which want true democracy.

While Mira was the post office administrator, several employers and PDC labor leaders who worked in post offices were murdered.

Antonio Mira, a brother of the victim, has said that his brother "had not received any death threats in recent months, although he did receive some when he worked for the post office. These calls sometimes were viewed as part of the psychological warfare used by his adversaries."

New Political Party Seeks Registration

PA1611020190 San Salvador DIARIO LATINO in Spanish 5 Nov 90 p 32

[Text] A new political party has asked the Central Electoral Council (CCE) for permission to conduct a registration drive and to participate in next year's elections for deputies and mayors. The Democratic Unionist Party [Partido Democratico Unionista] (PUD), headed by Lieutenant Colonel Mariano Castro Mora, filed its request along with the party's charter.

Castro Mora, author of the book, "The Armed Forces' Role in the Salvadoran Political Process," defined his party as a group that seeks the political unity of Central America, Panama, and Belize, as well as democracy in the country. "Only through consensus will the country possibly attain a peace that is just, honorable, and lasting," he said.

In the field of economics, the party supports social development before economic development, since 80 to 85 percent of the wealth is concentrated in the hands of a few, he said. PUD, which was established on 15 September, will have to wait 15 days before finding out whether the CCE will allow it to launch a drive to get the 3,000 signatures needed to be officially registered. Once the required signatures are presented, it will take another 60 days to get authorization from the CCE to become a political party.

Nicaragua

Vice President Godoy Views Current Problems

PA1611020390 Managua Radio Corporacion in Spanish 2300 GMT 9 Nov 90

[Interview with Vice President Virgilio Godoy by unidentified reporter in Managua; date not given—recorded; broadcast in progress]

[Text] [Godoy] ...this is a worthwhile topic. Yesterday, when I saw the scope of the situation, I began to review published materials on the agreements between the government and the Nicaraguan Resistance [RN] to achieve the RN's disarmament and dismantling. It is clear the government has not kept the agreements. This has been happening for several months because the demobilization process began in June and concluded in July. So we have July, August, September, October; in sum, it has been more than four months since the demobilization ended. Now it turns out that not even 20 percent of the former rebels have the lands promised to them.

Those who do not come from rural areas have not received the aid necessary to settle in urban areas. They are wandering about, asking for jobs. They get a pittance from international organizations, consisting of 20 pounds of rice, one liter of cooking oil, and 20 pounds of beans every month for the entire family. That is all. On one single occasion they each received 50 gold cordobas.

The international organizations have given some of them materials for their homes. The government, however, has not given them anything, really. We have the results of that here. Those people asked over and over again that the terms established in the disarmament agreement be kept.

[Reporter] Do you fear this situation may be extended to other parts of the country?

[Godoy] Because of the government's failure to keep the agreements, RN members left the development centers. For example, Las Mesas is almost empty, while once there were over 5,000 former rebels there. The number of those there now is not more than 600. What did they do? Some came to Managua, while others went to Esteli, Matagalpa, Jinotega, Masaya, Leon, and Chinandega. They are scattered all over the country, seeking ways to survive because the government has not kept the agreements it made.

This situation could lead to protest demonstrations in other parts of the country, not just in the coast. We know that in Region Five, Region Eight, which is southern Zelaya....[changes thought] Last night, there were tense spots in Jinotega, which is Region Six, and before that we had tense spots in the Rio Blanco area, Matagalpa Department. Problems have spread to Regions Five, Six, and Eight, and I would not be surprised if they flared up in Region One, where there is a major group of former rebels suffering the same hardships as the ones who are engaged in protest demonstrations in the already mentioned regions.

It would not surprise me if that happened. I was comforted, however, to hear President Chamorro say in her latest televised address that the problem of the former RN members is a high priority for her. I think the officials working directly under her must understand that message, and, more than that, implement the measures necessary to correct the government's failure to comply with the agrements, which is what has caused the problems.

[Reporter] Yesterday, Army Chief General Humberto Ortega threatened to use force on the former rebels who have taken over parts of roads. What do you have to say about that?

[Godoy] That is to be expected, and it reveals whose side this officer is on. In the July disturbances I did not hear him say he was going to repress his allies, who were putting up roadblocks, burning tires, and shooting at people in the streets. He never said anything like that. He did not say that when the same people went to the Olof Palme Center, in the midst of the process to reach a consensus, to burn the vehicles of diplomats and Cardinal Miguel Obando y Bravo. He was very silent. Now he feels encouraged because the idea is to repress those who are not on his side.

No matter what they say, he is still an FSLN [Sandinist National Liberation Front] leader. Even though he said he no longer is an FSLN leader, his statement shows he really is.

[Reporter] The Nicaraguan Episcopal Conference issued a letter yesterday voicing its concern over the situation in the country. As a response to that pastoral letter, the Sandinist media accused the Episcopal Conference of backing the policies you propose as vice president. What can you say about that?

[Godoy] If that were true, I would feel very honored; however, that is not so. The Nicaraguan Episcopal Conference is made up of highly responsible religious leaders. They based their comments on what the people feel and suffer, not on what a political leader may think. I read the Episcopal Conference's statement and I have not seen anything in it that is at odds with the traditional behavior of our country's Catholic leadership. There is nothing in it that would make one think the church is an ally of the RN or of those who want to destabilize the government through the vice president. Instead, it sides with the people, based on its own criteria.

[Reporter] In your opinion, what should be the media's role in light of the country's situation?

[Godoy] I believe that it is of utmost importance for the media to keep the Nicaraguan people informed of the events everywhere, because, for example, last night after 2100, it was reported that contingents of armed civilians from La Vigia virtually invaded Jinotega, occupied its streets, and harassed the people. Meanwhile, the police beat up and pistol-whipped the residents who were in one way or another showing their displeasure over the situation and their support for the protest that started in Region Five and has spread elsewhere.

This is important, because when the truth is revealed, when threats are made, such as those voiced by Humberto Ortega yesterday during a news conference, the people will already know what is happening in the country and who will be the target of this military chief and his followers. The people will be able to adopt the necessary precautions to avoid being victims of the exaggerated aggression that the EPS [Sandinist People's Army] usually displays when they take to the streets with their weapons of war.

'Partial' Accord in Chontales; Roadblocks Lifted

PA1511162290 Managua Radio Sandino in Spanish 1253 GMT 15 Nov 90

[Text] Partial agreements have been reached between the government and the Chontales Department mayors and deputies. We have a brief report saying that the meeting held between the government delegates— Construction and Transportation Minister Jaime Icabalceta, Education Minister Sofonias Cisneros, Deputy Education Minister Hortesia Rivas, Santiago Rivas, and Chamorro's personal representative Carlos Adan Guerra—and the representatives of

the Chontales Civic Committee, including Bishop Pablo Antonio Vega, concluded at 0130.

Partial agreements were reached and the roadblocks were immediately lifted. Bishop Vega announced that the Juigalpa-Managua highway was cleared and the roadblocks in Chontales, Boaco, Tecolostote, and (Camuapa) were lifted this morning. Telephone communications with Chontales are difficult, so this is all we can report at the moment. To sum up, partial agreements were reached between the government and the commission of UNO [National Opposition Union] mayors and deputies, who had made a series of mainly political and social demands regarding the region's problems. An agreement has been reached in Chontales, and the highways have been cleared.

La Concha, Government Reach Accord

PA1511200390 Managua Domestic Service in Spanish 1330 GMT 15 Nov 90

[Text] The text of the agreement signed between the government and the La Concha Civic Commission, Masaya Department, reads:

1. La Concepcion [as heard] Municipal Civic Commission voices it satisfaction over the decision taken by Government Minister Carlos Hurtado to change the municipality's chief of police.

2. Satisfaction is expressed over the decision by the government minister to name a civilian delegate to La Concha Municipality, with the attributes and powers contained in the new Government Ministry's charter. For that reason, a list of five candidates, known for their honesty, uprightness, maturity, and impartiality, will be submitted.

3. A local disarmament commission which will include all organizations involved in the matter is to be appointed to effectively carry out the disarmament, as promised by President Violeta Barrios de Chamorro, so that the region will be free of weapons by the Christmas season. This commission will act based on consensus and will draft plans to finalize the disarmament. It may authorize the destruction or public burning of the weapons collected, by means of a document signed by all its members.

4. Support is expressed for the regional agrarian commission to immediately establish a municipal agrarian commission.

5. Luis Alberto Carballo, Government Ministry delegate in Region Five, is proposed for the post of legal adviser. He will be asked to accept the job.

6. The immediate removal of roadblocks and evacuation of all public buildings seized was agreed on to normalize the situation in La Concha Municipality.

7. Support for President Violeta Chamorro and Government Minister Carlos Hurtado is expressed to implement the national salvation government plan and the efforts to further and consolidate the democratic process.

8. Meetings are to be held on a permanent basis to ensure compliance with these agreements and other demands.

Issued in La Concha, Masaya Department, 14 November 1990.

The communique is signed Jorge Irias Ayala for the Government Ministry, other members of La Concha's Civic Commission, and Bertilda Calero who served as mediator.

Managua Police Arrest Ex-Contra Leader Sanchez

PA1511230590 Hamburg DPA in Spanish 1850 GMT 15 Nov 90

[Text] Managua, 15 Nov (DPA)—Managua police this morning raided a house occupied by former contras of the Nicaraguan Resistance, seized dozens of weapons, and arrested Aristides Sanchez, former leader of that defunct counterrevolutionary organization.

A preliminary police report states that the operation was carried out at a house in Bolonia neighborhood in southwestern Managua, in the presence of officials of the International Support and Verification Commission (CIAV). The report adds that AK rifles and other war materiel were seized.

The police are apparently trying to capture the authors of a massacre against policemen in a city in northern Nicaragua where an unidentified individual hurled a grenade at 20 men in uniform who were trying to prevent the obstruction of a highway by political elements of a radical wing of the defunct "National Opposition Union" alliance, which disagrees with the government of Violeta Chamorro.

The house was occupied by former contras under Oscar Sovalbarro (Ruben), who support a political movement to pressure the government of Violeta Chamorro. They blocked highways in eastern Nicaragua for several weeks to demand political openings.

Israel Galeano (Franklin), leader of a large group of former contras, expressed his opposition to violent actions and criticized the fact that politicians "are taking advantage" of the demobilized fighters' demands to further their own causes. "Franklin" recalled that these politicians made no contributions to the contra struggle in the past.

"Ruben" denied that they had any arms on them and said that the police could have planted them prior to the operation. The police blocked vehicular access to the Bolonia neighborhood during the operation.

Meanwhile, it has been made known that the Government Ministry ordered the arrest of Aristides Sanchez Herdocia, former member of the contra directorate, under charges of provoking actions to destabilize the

country. Sanchez Herdocia has maintained a strong political propaganda campaign against the Chamorro government, claiming that it should physically eliminate members of the Sandinist National Liberation Front rather than reach a concerted agreement with them.

A Government Ministry communique says that there are "intransigent elements" that aim to maintain an atmosphere of violence in Nicaragua, and adds that Sanchez Herdocia was arrested because he is being "linked to serious crimes."

For his part, Danilo Lacayo, spokesman for President Chamorro, made it clear that no other former contras have been arrested besides Sanchez Herdocia, adding that they still enjoy the rights of all other citizens.

The initial government reaction expressed via Presidency Minister Antonio Lacayo was to describe Sanchez Herdocia as an element who refuses to accept the reconciliation process that Nicaragua is undergoing. The former member of the contra directorate was described as one of the organizers of the movement that involves the mayors of southeastern Nicaragua.

Radio Ya reported that Sanchez Herdocia might be involved in terrorist actions that killed four policemen and injured more than 20 in the northern city of Sebaco, about 100 km from Managua.

RN Protests Raid, Leader's Arrest

PA1611003790 Managua Radio Corporacion in Spanish 2310 GMT 15 Nov 90

[Communique issued by the Press and Information Office of the Nicaraguan Resistance Civic Organization in Managua on 15 November—read by announcer]

[Text] In the face of the raid, search, and other violence resulting from the brutal actions carried out by the Sandinist Police and the EPS [Sandinist People's Army] in our central offices, without having any search warrant, the Nicaraguan Resistance [RN] hereby announces the following:

Here are the facts:

1. Dr. Aristides Sanchez Herdocia was arrested at 0700 when he was intercepted by two IFA trucks of the EPS filled with combat troops.

2. About 500 men, including police and EPS combat troops, raided our office at 0910 today, 15 November, while RN Civic Organization personnel were working.

3. As a result of this military operation carried out by the police and the EPS, which can only be compared to the actions of the Somozist guards, several members of our organization and of the CIAV [International Commission of Support and Verification] were beaten with rifle butts and kicked. Elmer Jesus Estrada Herrera was arrested, brutally thrown into a military vehicle, and then taken away.

4. This military operation was directed by Commander Rene Vivas and Lenin Cerna, who did not show any orders from the authorities for conducting this raid and search and for taking away property from this office.

5. All of these actions were witnessed by CIAV-OAS Director Dr. Santiago Murray, along with Dr. Roberto Melendez, Dr. (Winston Metalco), and Mr. Urias, of the Verification Office of Cardinal Miguel Obando y Bravo.

Therefore, we agree:

1. To condemn most strongly the raid and search of our offices by the Police and the EPS, as well as the beating of the CIAV officials and employees of our association.

2. To condemn the use of violence, intimidation, and blackmail against us by the state organizations, the Government Ministry, the Institute of Repatriation, and INRA [National Institute for Agrarian Reform], which, far from using dialogue and persuasion, are using brutal force as a system to impose their will against disarmed civilians who have different ideas. This leads to an atmosphere of uncertainty and a lack of individual guarantees in the country.

3. To express our solidarity with and support for the demands of the Let Us Save Democracy Movement, and demand the dismissal of Ministers Antonio Lacayo, Carlos Hurtado, and Humberto Ortega. Likewise, we voice our support for all the mayors of Nicaragua who are demanding the same resignations.

4. To urge President Chamorro to condemn these violent actions against our office, inasmuch as she has promised not to use public force against those who disagree with her administration. These totalitarian and repressive methods do not contribute at all to creating the atmosphere of reconciliation among Nicaraguans, much less against those of us who laid down our weapons because we trusted the authority of her administration.

5. To demand the immediate release of Dr. Aristides Sanchez Herdocia, (Rufo Castillo Zeledon), Elmer Jesus Estrada Herrera, (Jose Francisco Vargas Matis), and another member of our organization known by the alias of Mediano, to contribute to an atmosphere of dialogue and reconciliation among all Nicaraguans.

Managua, 15 November 1990,

Issued by the Press and Information Office of the RN Civic Organization.

Government Communique on Sanchez Arrest

PA1611044890 Managua Sistema Nacional de Television Network in Spanish 0330 GMT 16 Nov 90

[Communique issued by the Government Ministry in Managua on 15 November—read by Frank Cesar, director of Public Relations for the Government Ministry]

[Text] In the face of the events that have taken place in the last 24 hours, and in view of the distortion by some

of the media, the Government Ministry is issuing the following communique to inform the people of the truth:

1. This ministry and the civic municipal commission of La Concepcion signed the Document of La Concha at 2000 yesterday. This document alleviated the atmosphere of tension prevailing in that municipality, and it was decided that the roadblocks would be lifted immediately and the seized buildings would be evacuated. The situation then returned to normal.

2. Last night in Sebaco Municipality, the national police tried for two hours to persuade approximately 300 people to stop blocking traffic on the Panamerican Highway. The policemen were attacked with firearms and grenades, however, and unfortunately four people were killed and 17 were wounded. All of the casualties involve members of the national police. In spite of this, the national police are continuing at this time to maintain order in that municipality, and they are holding talks with the civilian authorities and political groups in an effort to find a definite solution.

3. Following a dialogue between the Government Ministry authorities and residents of Nagarote Municipality who were occupying some government installations, the people decided at 1400 this afternoon to peacefully evacuate. Calm has returned to that town.

4. Due to reports received by the authorities about armed elements who want to increase confrontations between the social and political groups by manipulating and intensifying this situation, Mr. Aristides Sanchez Herdocia was arrested early this morning. To this effect, we want to clarify that when he was arrested, Mr. Sanchez Herdocia had military weapons in his possession. This afternoon, Mr. Sanchez Herdocia was visited by his wife, his personal physician, and some international observers.

5. The raid conducted by the national police at the house occupied by the Nicaraguan Resistance's [RN] Civic Organization was prompted by the fact that it was being used by Mr. Sanchez Herdocia as an office although he has not yet demobilized.

In the presence of CIAV [International Support and Verification Commission], OAS personnel, and representatives of a commission representing His Eminence Cardinal Obando y Bravo, we found some weapons when we raided that house.

We confirm to the citizens that no demobilized individuals, their leaders, or their relatives are under arrest at this time as a result of the aforementioned raid.

6. As for the situation in Region Five, we can report that a delegation, which is negotiating with personal delegates of the president of the Republic, is currently in Managua. They are reaching agreements on certain key points to ensure that peace and calm will return to that region. The free movement of traffic in that region is being reestablished today.

7. The Government Ministry hereby urges the media to maintain true prudence, and above all, veracity in their reporting to contribute to peace and national reconciliation.

8. It also urges the citizens to remain calm and maintain the trust that they placed on this government on 25 February.

Issued in Managua on 15 November 1990.

FSLN Denounces Government 'Hostage' 'Plot'

PA1611042390 Paris AFP in Spanish 0224 GMT 16 Nov 90

[Text] Managua, 15 Nov (AFP)—The Sandinist National Liberation Front (FSLN) today denounced the existence of a plot to "take hostage" the government of Violeta Chamorro and demanded "urgent" measures to guarantee the safety and rights of all Nicaraguans.

The leadership of the largest opposition party, represented by Commander Luis Carrion, among others, accused Vice President Virgilio Godoy, Bishop Pablo Antonio Vega, the Higher Council of Private Enterprise (Cosep), and former contra leaders Oscar Sovalbarro and Aristides Sanchez, who was arrested today by the police, of promoting the plot.

During a news conference, Carrion said that in view of the gravity of the situation, the statement issued on 14 November by the U.S. State Department voicing concern over a worsening of the Nicaraguan situation is "somewhat weak."

He also hinted that Washington influenced the disturbances registered in the past few days in Nicaragua that yielded more than 10 dead by saying that he has "reliable information that U.S. Embassy officials had met constantly with Aristides Sanchez and others."

Those I mentioned are responsible for "the blood that has already been shed and the blood that could be shed in the future," said the spokesman for the FSLN, which lost power to the National Opposition Union (UNO) headed by Chamorro in the February elections.

The FSLN also accused the conservative newspaper LA PRENSA, which criticizes the president to a certain degree although she is its owner, along with the Catolica and Corporacion radio stations, for "stirring up hatred, a contempt for the law, and defiance of established authorities."

After warning that the situation, far from being resolved, "is dangerously worsening," Carrion urged the party's militancy to be "on a state of alert in the face of a possible escalation of antidemocratic and vengeful violence."

Among other violent incidents, four policemen were killed and 17 other people injured when attacked on 14 November with fragmentation grenades by a group of former contras who had occupied the important Sebaco Bridge, 115 km north of Managua.

Meanwhile, traffic through a strategic highway in southeastern Nicaragua that connects the Pacific and Atlantic areas is still blocked by dozens of barricades erected by former contras who are supporting a movement that involves about 20 mayors.

The demonstrators are demanding the dismissal of Presidency Minister Antonio Lacayo, Government Minister Carlos Hurtado, and Army Chief General Humberto Ortega.

The mayors, who received the public support of Vice President Godoy, reaffirmed that they "firmly" support President Chamorro and argued that Lacayo and Hurtado are keeping her "kidnapped" in her residence.

FSLN Communique on Recent Violence

PA1611051390 Managua Domestic Service in Spanish 0406 GMT 16 Nov 90

[Text] The Sandinist National Liberation Front [FSLN] has condemned the violence sweeping the country, has identified those who are responsible, and has alerted its members against revengeful provocations. The FSLN National Directorate today condemned the current violence in the country and held responsible for it individuals such as Aristides Sanchez, Vice President Virgilio Godoy, Bishop Pablo Vega, and UNO [National Opposition Union] leaders. The mayors' movement is a political plot aimed at disavowing the constitutional government as well as the transition and national dialogue agreements, the FSLN communique noted. The FSLN urged its members to maintain a permanent alert in view of the intensification of revengeful violence. It warned that its members will not fall into provocations, but will defend their lives in any way necessary. Here is Commander of the Revolution Luis Carrion Cruz reading the FSLN communique:

[Begin Carrion recording] The so-called mayors' movement is by its form and content a political plot aimed at turning the government into a hostage of the rebels; ignoring the Constitution, the transition accord, and the national dialogue agreement; and imposing by force the illegitimate will of a small group of revengeful and selfish political leaders. Peace, democratic institutions, security, and citizens rights have been violated and are seriously threatened by this plot, which has already claimed several deaths and dozens of wounded in various parts of the country.

The situation is worsening as the days go by, as a result of the arrogance and intransigence of extremist leaders and of the government's lack of firmness. Such a situation cannot and should not continue. The government must ensure respect for the Constitution and laws and must restore tranquility throughout the country. The continuation of the plot movement is extremely dangerous and is leading us to confrontations of unpredictable consequences.

The FSLN holds the leaders of these subversive actions, particularly Aristides Sanchez, Virgilio Godoy, Oscar Sovalbarro, Monsignor Pablo Antonio Vega, and other UNO and Cosep [Higher Council of Private Enterprise] leaders, responsible for the blood already shed and the blood that may be shed in the future.

We also hold responsible LA PRENSA, Radio Corporacion, and Radio Catolica, which daily encourage hatred, violation of laws, and defiance of the established authorities. These campaigns that poison the environment and incite violence should stop to contribute to the country's peace.

The FSLN supports and recognizes the judiciousness and prudence shown by the police in facing numerous provocations and violent actions carried out by the plotters. Actually, the fact that the plot has not developed into a debacle of greater consequences is due to this conduct.

We send our condolences and solidarity to the relatives and comrades of the policemen who were so cowardly killed in Sebaco yesterday. We demand that those who were responsible for this incident be exemplarily punished.

The FSLN reaffirms its support for the legitimate demands presented by the Nicaraguan Resistance's demobilized troops. Their demands are to have land and work so that they can have a decent livelihood.

We demand that the agrarian commissions' tasks be [word indistinct] to be able to go from promises to deeds. We demand that the government take the required urgent measures to ensure every citizen's security as well as their constitutional guarantees, without distinction of political banners. Within this framework, we will support the disarmament of all civilians without conditions or exceptions.

The FSLN National Directorate calls all its members to be on alert for a possible intensification of antidemocratic and revengeful actions of violence. We will not be provoked, and we do not want more violence. We will know, however, how to defend our lives, our liberty, and our Constitution with the required determination. [end recording]

300 Seize Bridge in Matagalpa; Two Killed

PA1511154390 Managua Domestic Service in Spanish 1349 GMT 15 Nov 90

[Communique issued by the Government Ministry in Managua on 14 November—read by announcer]

[Text] The Government Ministry reports the following to the people:

1. Today, 14 November, at 1800, 300 persons, including civilians and former rebels, headed by someone known as Comadreja, seized the bridge over the Sebaco River, Matagalpa Department, on the Panamerican Highway and blocked traffic. Because of this situation, National

Police Commander Sergio Gomez and Captain Victor Rocha went to the site of the incident.

2. In the presence of the CIAV [International Support and Verification Commission] OAS staff and observers for Cardinal Miguel Obando y Bravo, the National Police officers tried for two and a half hours to convince these people to clear the road. Because talks and persuasion efforts failed, the public order forces used tear gas.

3. In response to the action of the police, irresponsible persons, who have yet to be identified, attacked the National Police with grenades and rifle fire, killing two and wounding 19. Four of the wounded are in serious condition. An unspecified number of civilians were also wounded. We will have further details on this as more precise information becomes available.

4. The Government Ministry condemns this sort of action which jeopardizes the peace that has been attained and the stability of the nation. It calls on all Nicaraguans to avoid acts of violence and voice their concerns and demands through dialogue and the mechanisms established in a de jure state.

5. The National Police will conduct a thorough investigation of the incident to find the culprits and turn them in to the appropriate civilian authorities.

Issued in Managua, 14 November 1990.

Arde Threatens War Unless Contra Demands Met

PA1511201690 Managua Sistema Nacional de Television Network in Spanish 0330 GMT 15 Nov 90

[Passages in italics are recorded]

[Text] At a dull news conference, former Arde [Democratic Revolutionary Alliance] rebels displayed stubbornness and revanchism by threatening to continue the war in Nicaragua if their demands are not met. A rebel leader [not further identified] said:

[Rebel leader]*We have decided to continue fighting as we have done up until now. This should not surprise anyone, because for 10 or 11 years we suffered dozens and dozens of casualties for demanding our rights, for demanding our freedom. It is not surprising that we should continue suffering casualties.*

Even though they accused [Presidency Minister] Antonio Lacayo of being a Sandinist ally, they acknowledged that the government has met their demands for land.

[Rebel leader]*I can confirm Lacayo's remarks to the effect that our war front, Arde's southern front, is a small one. He is right when he says that we have already received land. This is true. Eighty percent of us have received land.*

When asked what the best solution for Arde would be, the contra leader said:

[Rebel leader]*As long as the Sandinist National Liberation Front exists there will be no peace in Nicaragua, nor will the people, who are so eager to work, be able to do so.*

Cosep Leader Urges Government To Change Course

PA1611002090 Managua BARRICADA in Spanish 13 Nov 90 p 8

[Report by Mercedes Peralta]

[Text] Leon—Cosep [Higher Council of Private Enterprise] leader Ramiro Gurdian Ortiz ruled out on 11 November the possibility of a coup d'etat against the government of Mrs. Chamorro, but warned that "if the president's actions not be corrected, Cosep would move to the other side of the fence and become a part of the opposition."

Gurdian admitted that he admires the contras for having laid down their arms and congratulated them for their "civic opposition" to the government, which, according to him, "is discredited locally and internationally."

During a roundtable discussion on the dialogue at the San Ramon School involving politicians and businessmen from eastern Nicaragua, the former producer urged the government to "change its course and take action before the year's end."

As the meeting turned into an forum of charges against the government and the Sandinist National Liberation Front for allegedly negotiating only between themselves, Gurdian also strongly questioned Antonio Lacayo and Alfredo Cesar.

He justified Cosep's exclusion from the concerted agreement, saying that the government did not accept "the private sector's views" on Decree 11-90, Laws 3 and 85, and the presence of General Humberto Ortega in the National Agrarian Commission, which was described by Gurdian as a "political campaign to favor Ortega."

The Cosep leader predicted the imminent downfall of the government because it has discredited itself by failing to fulfill its program and denied that the situation in Region Five has been instigated by his organization, the former contras, or Vice President Virgilio Godoy.

He said that the dismissal of Dr. Francisco Mayorga as Central Bank president "was the price that the government paid to get the Sandinist bloc at parliament to support a law allowing the chief executive to be absent for 30 days from the country without having to delegate her functions."

Meanwhile, UNO [National Opposition Union] Deputy Jose Gutierrez Pantoja of Chinandega admitted that there are no neutral businessmen and urged them to admit with honesty and courage that they are opposing the government of Mrs. Chamorro, which he described as "oligarchical and marked by family nepotism."

Gutierrez Pantoja said that the UNO government lacks a social and political base and urged the member organizations of the defunct alliance to seize political power.

"We must seize political power and that is the duty of the politicians. If the government is doing nothing and only aimed at building an oligarchy and strengthening its power, then we must prevent this; we must assume defined positions," the deputy said.

The Transition Protocol, which is believed to be the major obstacle in preventing compliance with the government plan, was harshly censured by the roundtable participants. Gurdian said that that document existed prior to the elections and reemerged only after Mrs. Chamorro won the Presidency.

Benjamin Munoz Rojas was less virulent than Dr. Gutierrez Pantoja, and he calmed the participants by pointing out that he disagreed with waging an opposition against the government, but would rather engage in a civic struggle to support it because the participants "gave birth to it" with their votes.

He charged members of the Cabinet with treason, however, for having signed the Transition Protocol and demanded the dismissal of Ministers Antonio Lacayo, Carlos Hurtado, and Antonio Ibarra "to improve the administration of the state."

In mentioning the ministers that should remain in their posts, Munoz added that "perhaps only Mrs. Chamorro, Dr. Mayorga, although he has already been dismissed, Dr. Rosales, and to a lesser extent Icabalceta, who is ambiguous, should remain."

PLI Voices Support for Demands by Mayors, RN

PA1611025290 Managua Radio Catolica in Spanish 1130 GMT 13 Nov 90

[Communique issued by Independent Liberal Party (PLI) in Managua on 10 November—read by announcer]

[Text] Whereas:

1. The overall crisis besetting our country has caused over the past few days painful incidents that have brought mourning to Nicaraguan families.

2. The problems that have arisen do not stem from the political plans of any organization, but stem from a social situation, as the people of Nicaraguan must still endure poverty and deprivation.

3. The just demands by the Nicaraguan Resistance [RN] arise from that situation of poverty, which has become more pronounced because of the commitments and agreements made at the time the RN was demobilized have not been kept. The former RN members are still going without clothing, land, housing, food, medicine, and work, and are being persecuted and harassed by repressive FSLN [Sandinist National Liberation Front] organizations, while the government has failed to solve this problem.

4. The demands made by the mayors, with the support of the people, are just because the central government has totally abandoned the country's municipalities, allowing the FSLN to usurp municipal properties. What is more, strong remnants of this group are still occupying those properties.

5. The demands by the mayors and RN members are supported by the Nicaraguan people and respectable sectors, such as the Catholic Church of Nicaragua, the Human Rights Commission, farmers, and the workers in general.

Therefore, the PLI National Executive Committee resolves:

1. To voice solidarity with the just demands by the National Opposition Union [UNO], RN members, and the Nicaraguan people.

2. To call on the government to keep the agreements signed and to fully implement the UNO government plan and keep the promises made to the Nicaraguan people during the electoral campaign.

Issued in Managua on 10 November 1990

New Cordoba Devaluation Effective

PA1611020290 Managua Radio Ya in Spanish 1200 GMT 12 Nov 90

[Text] A new devaluation of the national currency in relation to the U.S. dollar became effective today. The devaluation was announced by the central bank director. The U.S. currency exchange rate stood at 1.610 million cordobas, but beginning today, the official exchange rate is 1.710 million cordobas per dollar. Meanwhile, a dollar sold for 1.8 million cordobas on the black market yesterday.

Panama

Support for Mutual Assistance Treaty Offered

PA1611034890 Panama City EL PANAMA AMERICA in Spanish 11 Nov 90 p 4-A

[Editorial: "Our Relations With the United States"]

[Text] Despite the fact that our relations with the United States represent the axis around which our foreign policy rotates, they are not handled properly and do not receive the attention that they deserve. It is easy to try to overcome difficulties by yelling loudly or being abusive. But by acting this way one displays his intellectual immaturity and lack of love for the fatherland.

Our agenda with the United States is a long and complicated one, but it is worth noting, if for nothing else than to arouse excitement and even raise arguments.

In this newspaper, we have published three profound studies by Doctors Gilberto Arias Guardia, Fernando Cardoze, and Fernando Manfredo on the future of the canal. Gilberto Guardia is the canal administrator, but we have done nothing or very little to prepare for the time when our country will assume full control of the interoceanic waterway. In the back of their minds, most Panamanians want to distance the administration of the canal from the instability of our political system to ensure that we receive the benefits that we are entitled to, so long as we will render a dependable and efficient service to the international community. A smooth and well-planned transfer of the canal from the current administration to the next one is a necessity. To this effect, very prudent constitutional reforms have been proposed so that the Panamanian entity that will administer the canal at the turn of the century will be as separate as possible from the influence-peddling that continues to inevitably plague Panamanian public administration. Although the transfer of the canal is still nine years away, we should not use that as an excuse for not beginning to make basic decisions on what we want for the future.

In the meantime, the demagoguery and extremist positions surrounding the Mutual Legal Assistance Treaty should not be heeded. The treaty is nothing new; Mexico has a similar one that was signed with the United States on 9 December 1987. This treaty does not mean that we will adversely affect the Panamanian economy or our sovereignty. Because it was deemed convenient, our government requested that the treaty be signed. Panama has been the victim of the first narcotyranny to exist in the Western Hemisphere. We are willing to cooperate and to receive aid so that we can end crimes that pose a threat to not only our country, but also the international community. Of course, there are opposing viewpoints regarding some specific issues, but there is no reason why we cannot quickly reach a satisfactory agreement with the United States of America on this issue.

Finally, in this column we have focused on the importance of Bush's Initiative for the Americas many times. We have called attention to the fact that in the very near future the United States, Mexico, and Canada will establish a free trade zone. Panama, a country with a service economy, has much to offer in plans that will mean a drastic reduction in the barriers that have kept us apart. Obviously, significant transition periods and even larger structural adjustments will be needed to accomplish the aforementioned objective. Our integration into the plan is yet to be seen, but we will have to start thinking about economic systems that will far exceed the limitations of territory and population of the Republic of Panama.

Vice President Comments on Bank Investigations

PA1611023890 Panama City LA PRENSA in Spanish 15 Nov 90 p 32A

[Report by Nubia Aparicio S.]

[Text] Panama's Second Vice President Guillermo Ford has warned that if he found out that a foreign authority was investigating banks in Panama, "I would stop them because these investigations must obey Panamanian laws."

The vice president made this statement when asked about the veracity of a news item that appeared in a local newspaper stating that the FBI is investigating alleged money laundering in the Colon Free Zone, which amounts to 200 million balboas annually.

According to reliable sources, the investigations date back to 1984, and have been stepped up since the fall of former General Manuel Antonio Noriega.

Ford said: "The FBI cannot investigate anything in Panama unless it is through the Justice Department."

Ford said he has no knowledge of alleged FBI bank investigations and will ask the Banking Commission president to report to him on the case.

Notwithstanding, Ford said that "I am sure no foreign authority can or should intervene, nor can we allow that they investigate any crime in Panama.... We have the Panamanian authorities for that."

Meanwhile, Vice President Ricardo Arias Calderon stated that the Panamanian authorities have no indication that some Free Zone banks are under FBI investigation.

Authorities Release Journalist Arrested 18 Jan

PA1611015290 Panama City LA ESTRELLA DE PANAMA in Spanish 14 Nov 90 pp A-1, A-2

[Report by Claudio Herrera J.]

[Text] Journalist Escolastico Calvo Murillo was released yesterday on instructions from Doctor Cuba A. Nelson de Villareal, 4th district attorney of the First Judicial Circuit in Panama, who said that the decision was made "for humanitarian reasons" and because the journalist "has been in preventive custody for 11 months."

According to Note No. 3413, dated 13 November, which is Journalists' Day, Escolastico Calvo was charged with "a crime or crimes against the public administration." The document does not specify the nature of these crimes.

Calvo Murillo's release occurred around 1400. Yesterday morning a group of fellow workers, friends, relatives, and members of the Trade Union of Panamanian Journalists gathered in front of Modelo Jail and demanded his release.

The penitentiary's police authorities let—within the framework of the protest—six local and international journalists enter the prison and talk with the prisoner.

According to his statements, Calvo Murillo was arrested on 3 January 1990 by members of the U.S. Army, who participated in the invasion of the national territory. The

district attorney's note says that the arrest was made on 18 January and added that "it was declared legal" according to a supreme court of justice ruling.

During his interview with reporters, Calvo Murillo said: "Physically, the government has me imprisoned, but my mind is free."

The district attorney also said that many letters have been sent by private and international organizations that are concerned about Mr. Escolastico Calvo's health and the conditions within the penitentiary system, given the condition of his health.

The district attorney decreed the "immediate provisional release" of journalist Calvo Murillo, "provided that there are no other charges against him. This release order does not preclude arrest in the future, if warranted."

Argentina

Seineldin Supporters, CGT Demonstrators Clash

PY1611020090 Buenos Aires DYN in Spanish 2052 GMT 15 Nov 90

[Text] Buenos Aires, 15 Nov (DYN)—About 50 supporters of Colonel Mohamed Ali Seineldin clashed violently with a group of demonstrators this afternoon during a mobilization organized by the CGT [General Confederation of Labor]-Azopardo branch to protest the government's economic policy.

Some 50 Seineldin supporters, who are also supported by Manuel Diz Rey, representative of the traveling salesmen's union and member of the executive board of the CGT-Azopardo branch headed by Saul Ubaldini, used sticks and their fists to attack a group of unidentified demonstrators who were trying to reach the Plaza de Mayo via Diagonal Norte Street.

The supporters of the retired military officer—who were advancing along Diagonal Norte Street under a banner with the slogan "The camel [Seineldin's nickname] is on the move, Seineldin is coming" and shouting the name of their leader—exchanged harsh words with the demonstrators, who backed off to let them by.

When the column reached the corner of the cathedral in front of the town hall, however, it was not able to continue because of a crowd of people that had gathered at that point.

Insults suddenly became fist fights, and the Seineldin supporters, who were carrying sticks, started beating the demonstrators violently. The battle of sticks and fists did not end until the Seineldin supporters lost their banners, which were burned in a bonfire at the entrance to the town hall building.

The skirmish, which only lasted a few minutes, resulted in several injured youths—one with head injuries—who were immediately taken away in ambulances. Others who were bruised in the fracas recovered quickly.

The members of the reduced and outnumbered column withdrew immediately, but they were still punching and using sticks against the CGT demonstrators, who were trying to stop them from getting away.

[Buenos Aires DYN in Spanish at 0018 GMT on 15 November, in a report on incidents during today's demonstrations, reports that "violent incidents were staged by demonstrators, supporters of Colonel Mohamed Ali Seineldin, and members of the Federal Police forces in Plaza de Mayo this afternoon during a rally organized by the CGT-Azopardo branch to protest the government's economic policy.

"The federal police officially reported that three of its officers received multiple contusions and face wounds. They also announced that the attackers were arrested, but they did not say how many."]

Chinese Reportage on Visit by President Menem

WA1511170290

For Chinese reportage on the visit by Argentine President Carlos Saul Menem to China, including reports on meeting with President Yang Shangkun and Communist Party General Secretary Jiang Zemin, see the Latin America & Caribbean section of the 14 November and subsequent issues of the China DAILY REPORT.

Bolivia

Chamber of Deputies Discusses Court 'Malfeasance'

PY1611003490 La Paz Television Boliviana Network in Spanish 0030 GMT 15 Nov 90

[Excerpt] The Chamber of Deputies today began discussing the malfeasance-in-office trial against eight Supreme Court justices who have been charged with ignoring the law. Our colleague Antonio Valdez reports from Congress.

[Valdez] The Chamber of Deputies Constitutional Committee presented to the full chamber its report on the malfeasance-in-office trial against eight Supreme Court justices. As of today, and for as long as the house discusses the issue, all justices are forbidden to leave the country, and any decision they make will be illegal, according to Deputy Luis Vazquez.

[Begin Vazquez recording] The Constitutional Committee has prohibited Supreme Court justices from leaving the country; this will prevent them from escaping to avoid answering the charges we have made in the Chamber of Deputies. The Chamber of Deputies has also decided to forbid any transfer of their assets to guarantee payments for damages to the Bolivian people caused by their crazy actions. Consequently, these people are from this date under the jurisdiction of the national Congress. [end recording] [passage omitted]

'Rumors' on Civilian-Military Government Denied

PY1611025590 La Paz La Red Panamericana in Spanish 0000 GMT 16 Nov 90

[Text] The Conpap [Political Council of the Patriotic Agreement], through its top leaders, has denied having discussed with high-ranking military officers the establishment of a civilian-military government as an alternative to solve the current conflict of power.

Conpap member Senator Jorge Landivar has said that even though meetings were held with military commanders, neither General Hugo Banzer [president of the Nationalist Democratic Action] nor Oscar Eid Franco [president of the Movement of the Revolutionary Left] have analyzed the possibility of [word indistinct] the solution of the conflict, which is a purely democratic conflict of jurisdiction.

Landivar said that the rumors that have circulated in the past few hours represent an intentionally distorted and absolutely unfounded plot promoted by a dissident sector to prevent the legal process from taking place. [recorded passage indistinct]

Supreme Court Requests 'Protection'

PY1611032290 Madrid EFE in Spanish 0150 GMT 15 Nov 90

[Text] La Paz, 15 Nov (EFE)—The institutional crisis that is today shaking Bolivia took a new turn when the Supreme Court of Justice announced that it has requested Armed Forces protection in view of what it calls "abuses" perpetrated by the governing coalition.

The judicial branch started the confrontation with the government when it approved an appeal to declare a fiscal law unconstitutional. Congress reacted by threatening to impeach eight of the 12 members of the Supreme Court under charges of malfeasance in office. The court then unearthed an appeal by the opposition to annul the 1989 elections.

The Supreme Court of Justice, seated in the official Bolivian capital of Sucre, today delivered a document to Armed Forces Commander General Jorge Moreira in La Paz requesting the presence of a military unit "to protect the judicial branch from threats it has received."

The Supreme Court, whose members were appointed in 1985 during the administration of the Nationalist Revolutionary Movement (MNR), which is now the main opposition party, requested that the Armed Forces "guarantee its security and prevent any attack against the Supreme Court or any of its members."

"Democracy is in danger because it cannot exist if human rights are not respected," states the document, which was delivered to the Armed Forces by Supreme Court member Adan Soria Diaz Canseco.

"The independence of the three branches is the basis of government; they cannot be placed under one branch because that would make it a tyranny," the document states.

Minister: No Salary Increase Until End of Year

PY1511194990 La Paz Television Boliviana Network in Spanish 0030 GMT 15 Nov 90

[Text] Finance Minister David Blanco has announced that the World Bank's Consultative Council has agreed to give Bolivia $900 million in donations and soft credits. Minister David Blanco returned from Paris saying that his negotiations and efforts received positive answers.

[Begin Blanco recording] Despite the international situation, we obtained a commitment in principle from organizations and friendly countries to come to Bolivia from November to March to [word indistinct] their specific programs. Donations amounting to nearly $900 million....[Blanco changes thought] I will clarify this: About 80 percent of this amount is in donations and soft credits. If our situation was not good, the international financial community would not have given us such a good answer.

The government will not grant any salary increase until the end of the year. The government has a clear salary policy. We had a meeting with Coneplan [National Economic and Planning Council] to discuss the salary situation and report on our meeting with the Consultative Council in Paris. What we need is to continue with our effort to encourage investments because the three-percent growth index is not adequate. It must be larger. We will not be able to get better results in 1990, but the situation might improve in 1991. [end recording]

Chile

Foxley on 'Disappointment' Over U.S. Relations

PY1611014090 Madrid EFE in Spanish 0028 GMT 15 Nov 90

[Text] Santiago, 15 Nov (EFE)—Finance Minister Alejandro Foxley acknowledged today that there is "a certain amount of frustration and disappointment" in the government over the progress of relations with the United States.

Speaking at the Press Club, Foxley said that this disappointment is a result of the "manner in which the process of improving relations with the United States has been developing, both in the political and economic fields."

The Chilean minister harshly criticized the limited enthusiasm shown by the United States for President George Bush's initiative to create a free regional market. "It is a paradox that the terms have been reversed; that Mexico, Venezuela, and Chile are the ones who are telling the United States that we are ready to practice what you have preached all your life: the free market," Foxley added.

He said that the United States is restricting itself to rhetoric and is incapable of putting Bush's ideas into practice.

The Chilean Government has been experiencing some discomfort over the past few weeks because the United States has not lifted certain trade restrictions imposed on Chile during the former military regime. It was learned today that the Chilean Foreign Ministry reportedly told Washington a few weeks ago that it hoped the trade restrictions would be eliminated before President Bush's visit to Chile on 6 December.

In September 1976, a U.S. Senate resolution known as the "Kennedy Amendment" prohibited U.S. companies from selling any kind of weapons or spare parts to Chile

because of the systematic violations of human rights being committed by the Chilean military regime of that time.

The United States also removed Chile from the Preferential Trade System it maintained with the rest of Latin America and likewise deprived Chile of the right to join the investment insurance system. This right, however, was restored after President Patricio Aylwin's visit to Washington last September.

The Chilean Government has repeatedly pointed out that the reasons for imposing the "Kennedy Amendment" have not existed in Chile since Aylwin came to power last March. It has therefore insisted on the suspension of this sanction.

Promoted Army Officers, Positions Noted

PY1511233090 Santiago EL MERCURIO in Spanish 3 Nov 90 p C 2

[Excerpts] President Patricio Aylwin and Army Commander in Chief General Augusto Pinochet are scheduled to meet next week. During the meeting, which was originally set for 2 November, Aylwin and Pinochet will analyze the situation resulting from promotions and appointments within the Army.

Ministry of National Defense sources that asked not to be identified have stated that an announcement could be made after the meeting on a formula aimed at solving the "impasse" between the government and the Army because of President Aylwin's refusal to approve the promotions of two Army officers to the posts for which they were proposed. [passage omitted]

The following Army officers are already carrying out their duties: Major General Rodrigo Sanchez Casillas, Army chief of staff; Brigadier General Guillermo Garin Aguirre, Army general inspector; Brigadier General Jorge Lagos Silva, commander in chief of the 6th Army Division headquartered in Arica; and Brigadier General Hernan Ramirez Rurange, director of Army Intelligence.

It has been reported that the chief of staff of the Defense General Staff will come from the Army for the next two years; Brigadier General Richard Quass Bornscheuer, current commander in chief of the 5th Army Division based in Punta Arenas, will reportedly be selected to head this staff.

Army High Command Composition Viewed

PY1511151590 Santiago EL MERCURIO in Spanish 4 Nov 90 p D 3

[Article by Blanca Arthur entitled: "War Games"]

[Text] Last Tuesday at noon, the Army received a message from the government. It was brief and it gave the decision of the government regarding the proposed promotions and retirements within the Army which Army Commander General Pinochet had submitted to the president on 26 October.

A real revolution began in the Army command: the retirement of the six generals and the promotion of 10 officers to brigadier generals had been accepted. Two of the names proposed for promotion to major generals were, however, missing from the list: the names of Brigadier Generals Carlos Parera and Ramon Castro.

General Pinochet immediately requested an audience with President Aylwin for that afternoon. The answer was no, not this afternoon, but on the following day. Pinochet said no to this because he had to attend to a ceremony in the Tejas Verdes military unit.

The disagreement over the audience date reflects the tensions between the government and the Army, this time over the new Army high command.

Even greater problems were to emerge by the end of the week when Defense Minister Patricio Rojas announced that the decrees authorizing the military changes were being processed, a situation that the Army considers illegal and would therefore not accept.

The pending audience may possibly take place this week, but everything seems to indicate that things will not be easy because neither seems willing to give in.

It was expected that the Army restructuring would be different this year. For the first time the promotions and retirements would not be decided only by the Army commander as happened in the recent past years, or by the president of the Republic as was the custom prior to 1973.

The 1980 Constitution states that the president must decide on the promotions and retirements but, following the major discussions over the Armed Forces organizational law, the Army command changes must be proposed by the Army commander and approved by the president of the Republic.

This solution was only reached after intense negotiations between a government that was leaving and another that was stepping in, a situation in which each side tried to make full use of its power to decide on the new composition of the corps of generals.

Given the current circumstances under which our country is living, it was predictable that both the Army and the government would try to safeguard what each one considered to be in its interests, and if these did not seem to be compatible it would be hard to reach an agreement.

No one denies that it is important for Pinochet to want a united high command of his most trusted officers in face of upcoming events—like the moment when the Truth and Reconciliation Committee delivers its final report.

It is not unlikely that Pinochet might be thinking that sooner or later he will have to leave his post and that he should consider his successor when he proposes the high command members. We must not forget that although the Constitution allows him to remain in his post until 1997, if he retires earlier for any reason his successor must be chosen by the president of the Republic from among the five most senior generals.

This was the picture that Pinochet had in mind when he studied the Army promotions and retirements that had been proposed for this year. Suddenly, though, he had to face an unexpected situation that altered the entire picture: The "La Cutufa" case. The results of the investigation on this illegal financial organization have forced the retirement of four of the six generals who are leaving.

The first indication that confirmed that the affair would cause an upheaval among the generals was the refusal by General Patricio Gualda (who is third in seniority) to carry out an internal investigation that Gen. Pinochet had decided to carry out when he learned that there might have been Army personnel involved. Gen. Gualda withdrew from the case because he had money involved, which was tantamount to signing his retirement. Patricio Varela, another of the generals who is leaving, suffered the same fate.

The case of the other two who "fell in disgrace" when the results of the investigation carried out by General Patricio Serre were disclosed is different. Both General Hugo Salas Wenzel and General Gustavo Abarzua were forced to sign their retirement over what in military terms is referred to as "command responsibilities." This is because the investigation established that among those who were most involved in the "La Cutufa" case (such as promoters) there were numerous security personnel under their command and...they did not report this at the proper time.

Pinochet's decision to retire these generals, 16 other officers, and to punish many others (some say over 200 of them) as a result of the preliminary results of the "La Cutufa" case—whose investigation still continues—has had an obvious impact in the conformation of the high command, which must be concluded in a couple of days.

Nevertheless, this was not a decisive point in the proposal for promotions and retirements that Pinochet delivered to President Aylwin on Friday 26 October during a meeting they held in La Moneda.

The truth is that, in fact, this case only affected the retirement of these four generals: The other two generals who are leaving—Eduardo Iturriaga and Osvaldo Palacios—have nothing to do with the "La Cutufa" affair and, in short, the problem actually did not start there.

The meeting between Pinochet and Aylwin was brief. During their meeting, the commander in chief delivered to Aylwin the list of officers whom he proposed to retire and those that he wanted to promote both to the ranks of major general and brigadier general.

Pinochet's concrete proposal was the following: The retirement of three major generals (Patricio Gualda, Hugo Salas, and Eduardo Iturriaga) and three brigadier generals (Gustavo Abarzua, Osvaldo Palacios, and Patricio Varela).

The promotion of six brigadier generals to the rank of major general: (Miguel Espinoza, Hector Darrigrandi, Carlos Parera, Guillermo Garin, Richard Quass, and Ramon Castro Ivanovic).

The promotion to the rank of brigadier general of Eugenio Videla, Luis Cortes Villa, Victor Escobedo, Ramon Valdes, Guillermo Letelier, Rafael Villarroel, Humberto Julio, Guillermo Sanchez, Ricardo Izurieta, Ricardo Contreras, and Rafael Villarroel [as published].

The list was held in La Moneda. It was briefly reported that a response would be forthcoming soon.

The truth is that as the Army was trying to move the pieces to suit their own interests, the government was doing the same.

The first point established was that the promotions and retirements had to be decided by the president of the Republic. This issue was considered even more important than the proposed names: They did not want to leave a sensation that the Army command restructuring was decided by the Army.

An important element during the days of the decision was the fact that the names of those leaving and those promoted became public before President Aylwin heard about them.

This was considered a challenge that was taken into account when it was decided not to accept the proposal taken to La Moneda Palace without some changes.

This does not mean that the government did not have a special interest in the names of the men who would join the Army high command. The evaluation of the generals was worded in the most professional tone possible. This is why those who had recent military experience were better regarded than those who were described as "politicians" on account of their commitment with the former military regime.

Given this criteria it was not strange that President Aylwin would not accept the list of names proposed by Gen. Pinochet.

And that is what happened.

In the brief answer sent to the Army command on Tuesday, there was no problem with those who were leaving: Pinochet's decision to retire those generals who seemed to be connected with the "La Cutufa" scandal was even considered to be positive and of institutional importance.

There were also no objections to the generals who were being promoted to the rank of brigadier general,

although the government estimated that most of them were Pinochet's right-hand men, and at one point the government considered vetoing them. The decision that prevailed was not to veto them, because after all, the generals would not hold the most important posts of the high command and it was thought that it would have unnecessarily worsened the conflict.

The problem became worse than expected, however, in the case of the two brigadier generals whose promotions to major general were not accepted: Carlos Parera and Ramon Castro.

The great doubt is why they were chosen. In Parera's case, the most obvious reason seems to be the fact that as chief of the Santiago military unit, and chief of the military parade he was responsible for the booing that President Aylwin received during the parade, and that he did not ask for authorization to begin the parade. There is yet another charge against him: He does not attend the security meetings that take place every Wednesday in the Interior Ministry because he does not want to meet with Investigative Police Director General Toro.

The veto on Ramon Castro, who until recently headed the Chilean military mission in Washington, was based on his past attitudes: His participation in the DINA [National Intelligence Directorate] in times of General Contreras and in the purchase of plots of land in El Melocoton, a fact that was questioned by the opposition and even led a group of lawyers headed by Patricio Aylwin to make a legal claim.

The government decision has prompted the expected reaction of uneasiness within the Army. It is believed that it was because of political considerations, but this is not true because Gen. Parera is highly respected within the Army and this fact has led Army officers to close ranks, thus creating new tensions in the controversial relations with the government.

But beyond the implications of the presidential vetoes, rejecting Gen. Parera's promotion, a legal problem was created, and this has become the cornerstone of the conflict: The government has accepted the promotion of two brigadier generals who had less seniority than Parera. They are: Guillermo Garin and Richard Quass. This situation contradicts the Armed Forces' organizational law that establishes that promotions can only be granted in strict order of precedence.

This unusual situation will reportedly only be solved if Gen. Parera retires, and this can only take place in one of two different ways: By voluntary retirement (which is the form employed when the retirement is requested by the commander in chief), or by decision of the president of the Republic when requested by the commander in chief. Both methods have been discarded by the Army.

Everything indicates that the Army seeks to prevent Parera's retirement by any means. It has been learned that following the presidential veto, the Army sent another note to the government seeking a solution to the conflict: Not to propose the promotion of the two generals (Garin and Guass) to allow Parera to remain in the Army. Nothing was said regarding Castro, because he was the last on the list of brigadier generals proposed for promotions. If he is not promoted, there would be no problem... but the government rejected it.

The fact is that officials at La Moneda Palace are equally willing to show that they are the ones entitled to make the decisions. Defense Minister Patricio Rojas has said that the appropriate decrees with the new grades are being prepared, a reflection that this is in fact the situation. The Army is, of course, willing to play its last card by showing that such decrees are illegal and that the controllership must reject them.

It is true that there may be some legal flaws concerning this problem because the law on the Armed Forces clearly says one thing, but the Constitution grants special powers to the president of the Republic to make the decision. This situation has provoked a new tense situation between the government and the Army.

This is not the only situation, however. There have been other controversies because of assignments when some contradictions were publicized. While Minister Rojas was saying that the Army was not authorized to release the new assignments of the high command, an Army statement refuted him indicating that Pinochet informed Aylwin at that meeting on Friday, 26 October. The problem behind this is that the Defense Ministry is the appropriate channel through which the government again is trying to demonstrate that the Army must be subordinated to the civilian authority.

The outcome of the situation was still not clear by the end of the week because although government officials at La Moneda Palace seemed firm and not willing to give in, the situation within the Army had not changed. This is the conclusion reached at the evaluation meetings held by both parties to find a solution to the impasse.

It is not known whether in the course of actions considered by both parties, they thought that the solution to the conflict... is not to aggravate these "war games."

Further on Potential Split in Communist Party

PY1511140490 Santiago Radio Chilena Network in Spanish 1600 GMT 14 Nov 90

[Text] Communist Party political commission member Jorge Insunza has said that any agreement with the Christian Democratic Party [PDC] for the municipal elections will require each side to express its political will, but at this time there is no such political will.

In response to PDC president Andres Zaldivar's refusal to form electoral alliances with the Communists, Insunza stressed that his party would have no problem in supporting a PDC candidate.

[Begin Insunza recording] Obviously, the PDC should adopt a similar stance for the sake of democracy. We

believe that the division of the democratic forces, as happened during the elections in December 1989, can only favor Pinochetism. If anyone wishes to promote this, he should assume his responsibility. [end recording]

Insunza said that Communists will participate in the municipal elections to contribute to the development of democracy in the country, with or without pacts with the parties of the Coalition of Parties for Democracy.

Concerning President Patricio Aylwin's call to end the corruptive practices of the previous administration, he stressed that Communist leaders will meet with the president to propose the creation of a commission that will moralize the military.

Asked about the criticism by the Soviet charge d'affaires, who is paying a short visit to Chile, on an allegedly late reaction by the Chilean Communists in the transition process, Insunza said that Communists recognize their mistakes but they have never abandoned the struggle.

He finally stressed that Communist members cannot simultaneously belong to two different groups, and that those who join the Assembly for Communist Renewal—ARCO [Movimiento de Asamblea por la Renovacion Comunista]—will automatically sideline themselves from the party.

Ministry Files Charges Against Lautaro Members

PY1611004290 Santiago EL MERCURIO in Spanish 3 Nov 90 p C 15

[Text] The Interior Ministry yesterday extended charges for violations of the State Security Law to three more members of the "Lautaro" extremist group. The legal measure is now directed against 21 members of this group. Similar charges will be filed against nine more members of the group in the next few days, so 30 people will be affected under that legal process.

Army Repudiates 'Cowardly' Terrorist Attack

PY1511235890 Santiago Radio Chilena Network in Spanish 1600 GMT 15 Nov 90

[All numbers as heard]

[Text] The Chilean Army issued an official communique this afternoon on the terrorist attack in which three penitentiary guards and one Carabinero were murdered. The communique categorically rejects terrorist activities and expresses the hope that those responsible for the attack will be punished. Here is the text of the communique:

The Chilean Army expresses its condolences to the Carabineros and Gendarmerie over the evil attack that has been perpetrated against these institutions.

2. The Army voices its concern over the repeated terrorist attacks and strongly repudiates this type of action, which causes victims and represents a serious attack on vital national interests and the peaceful coexistence of Chilean society.

3. The Army categorically rejects the use of violence by certain subversive sectors who resort to cowardly acts to meet their objectives.

4. The Army hopes that those involved in this serious criminal action will be severely punished in keeping with Chilean law, which is expected to become even stronger.

Colombia

Gaviria News Conference on 14 Nov Strike

PA1511171490 Bogota Domestic Service in Spanish 1243 GMT 15 Nov 90

[News conference by President Cesar Gaviria with local reporters and unidentified moderator, at the Narino Palace in Bogota—live or recorded; broadcast in progress]

[Excerpts] [Passage omitted] [Bernado Colmenares of COLPRENSA] A national strike was held yesterday. Most people and the labor unions said that the measures adopted by the government were repressive, almost dictatorial. That is why the workers could not obey the call to strike. Also, when will we start seeing results of the government's economic measures?

[Gaviria] Most of the measures that were applied yesterday are within our laws. It is evident that the strike is illegal. I am obligated to enforce the law. This was a destabilizing strike that exceeded normal boundaries. The government applied existing laws to deal with the situation. The workers reported to their jobs on their own free will. They simply did not believe that the labor unions' call to strike was justified. There was general respect for work and peace yesterday. The government is extremely satisfied that it was a day of work and peace. [passage omitted]

[Marta Trujillo of Todelar Radio] One of the causes of yesterday's strike was the government's decision to implement a series of price increases. What can we expect in December? Will there be new price increases in public utilities, gasoline, and other items?

[Gaviria] We inherited scheduled price increases and inflation. These problems cannot be corrected overnight. The government decided to go ahead with the scheduled price increases and to work on controlling inflation next year. That is why the Finance Minister has been offering the workers compromises to offset inflation. Based on these compromises, we can reach agreements on the minimun wage and pay raises for government employees. The price increases, which will be decreed in December or in 1991, must be compatible with the cost-of-living increase for next year. We will adopt a more determined policy to face inflation. The country can in no way be satisfied with the 30-percent inflation rates that we have experienced throughout the year. [passage omitted]

[Vicente Silva of National Newscast] Mr. President, never before has there been such a confusing situation in the country. Your first 100 days in office have been marked by incidents involving the Extraditables, drug traffickers, missing reporters, guerrillas who are more than hyperactive, and a national strike. The country's situation is quite confusing. Have you or your government considered—to touch upon the most popular issues or the most sincere complaints—reversing the economic policy, which was practically the basis for yesterday's strike?

[Gaviria] No, the government has not by any means considered reversing the economic policy. We are aware that yesterday's strike was in protest of our economic policy and, to a great extent, of our economic liberalization, some of our privatization methods, and labor reforms. Of course, this would be an easy decision to make because it would imply doing away with the changes that we proposed. We proposed changes which, in certain cases, could imply sacrifices and could affect the attitude of many Colombians who believe that our economy should be inefficient, closed, backward, and remain outside the international economy. What I want for Colombia is an open, modern, growing economy capable of competing. This is how I conceive Colombia's economy, and I am not willing to surrender that policy simply to please sectors that are opposed to change in this country or those that complain about our problems and the situations we are faced with. These are the people who expect the government to solve the nation's problems with folded arms and without making any important decisions. The country's problems can only be solved by making decisions and, of course, by tolerating criticism and the disturbances that sometimes occur.

I have admitted that there are criticisms and debates within the government, that there have been healthy debates which, to some extent, reflect positions that are also supported by public opinion and Colombia's respectable academic sector. We offered to change the country, and we offered a historic turnover in our institutions. Of course there are times when some people say we are trying to cover too much ground. Others believe that the changes are hurting people; however, we prefer to hear this than to hear complaints that the government is doing nothing or that the government has no policy. We will go forward. We will go forward with the labor reforms and economic policy because we believe that this is what is most advantageous for the country, this is what we told the country throughout the electoral campaign, this was the decision that was made at the polls, and because this is what I announced to the nation when I took office.

[Antonio Jose Caballero of RCN] Mr. President, yesterday your government faced its first test of fire. Can you give us a conscientious assessment of what the government and country won and lost yesterday?

[Gaviria] What it won was, basically, a message for all Colombians as they look toward the next few years. The Colombian people do not want confrontation or violence, and they somehow would like to give a measure of credibility and confidence to the national government. This is what we won. The workers and labor unions must reach agreements. The workers know this, and it was decided yesterday. The labor unions must understand that they must lend a margin of confidence and credibility to the government, that they must not confront the government but must make concerted efforts and reach agreements concerning economic and social policy, and that we must find peaceful paths to solve the nation's problems. These are the types of solutions Colombians want.

Yesterday, as I have said several times, was a day of peace and work. I am pleased and relieved because of this. It seems to me that an appropriate message was given, not only for the labor unions but for the other sectors of Colombian society who believe that I can look complacently upon strikes and subversive attitudes—the type of attitudes that belong to the past. The Colombian people want a peaceful change. This is why all of the political and social forces in this country agreed to elect a constituent assembly. This is what we want—peaceful changes, not confrontational or violent changes, but the setting for peaceful changes. This is what we are fostering.

[Caballero] [Question indistinct]?

[Gaviria] At one point we may have lost certain public freedoms, and I deplore the fact that certain public freedoms were lost for a few hours; However, we gained a lot as a message of peace and work for all of Colombia, even if public freedoms were restricted for a few hours. [passage omitted]

[Guillermo Gonzalez of Cinevision] Mr. President, the president of Telecom [National Enterprise for Telecommunications] has announced—to quote him verbatim—a war against that enterprise's union. Do you feel that this could be detrimental to the Colombian people, considering that Telecom is one of the country's leading services?

[Gaviria] Perhaps his words were not the most appropriate, but they were justified by the tension and excitement of yesterday's events. I believe that what the Telecom president wanted to say—and I am sure this is how his remarks should be interpreted—is that firm decisions must be made because the country should not be paralyzed by a strike that has no major raison d'etre or justification. Moreover, it was not the first strike to be staged. The government has been patient during the past three months. Together with Colombian society it has tolerated escalated illegal strikes at Telecom for the past three months. Nevertheless, the government did not want to implement drastic measures. It waited for the unions to reconsider and understand that the decisions that were made respond to the need to introduce some degree of competition for Telecom from regional public companies.

Unfortunately, the unions failed to reconsider and have gone to the extreme of inflicting serious damage on the national economy. Much to the government's regret it has had to make these decisions. The government must take strong action because it must not allow the country's telecommunications sector to be paralyzed. It hopes that the Telecom unions and workers will reconsider their actions and understand that their goals can be reached through dialogue and concerted efforts.

In the next few days the national government will issue a document on telecommunications policy. I hope it will cover some of the Telecom workers' concerns, but they must abandon their illegal activities and illegal strikes. [passage omitted]

Meets Leaders, Creates Commissions

PA1511213790 Bogota Inravision Television Cadena 1 in Spanish 1753 GMT 15 Nov 90

[Text] President Cesar Gaviria has just ended a meeting with the leaders of four labor unions. During the meeting a decision was made to create four commissions to study port reforms, the telecommunications issue, economic policies, and the new minimum wage.

The meeting was held at noon today at Narino Presidential Palace, and it demonstrates that both parties are willing to talk to solve the country's labor problems, in spite of the national strike called for by the labor unions yesterday.

[Begin unidentified labor leader recording] I think that the meeting with the president of the Republic was positive. The president said that other labor unions could join these talks.

We advocate a solution in the Telecom [National Enterprise for Telecommunications] conflict. Commissions have been appointed to find a solution to the labor conflict. We do not think that this is the right time to fire workers or to cancel an entity's legal status, as it was done with Telecom, because this creates greater problems. Instead, a solution to the problems should be found.

A commission will study labor code reforms, as well as the economic and social policies, the minimum wage, and the consumer price policy. [end recording]

Further on Armed Forces' Attack on FARC Center

PA1511154490 Bogota Radio Cadena Nacional in Spanish 1200 GMT 15 Nov 90

[Text] Bogota—The Armed Forces maintain total control over the area where the authorities found and destroyed one of the most important FARC [Revolutionary Armed Forces of Colombia] camps, in a jungle region of Meta Department. Combing operations in the area continue.

This has been confirmed by General Manuel Alberto Murillo, commander of the National Army. The general has stated that the staff of the eastern front of FARC has been dismantled and that guerrilla opeations in the eastern part of the country have been hindered.

The authorities found at the rebel headquarters known as Casa Acuna, in Mesetas Municipality, 36 houses capable of housing approximately 200 guerrillas. This headquarters was the largest supply and logistics support center that FARC had.

The general told this radio station that from Embo Camp, FARC coordinated the subversive activities of 17 of its fronts operating in Meta Department, in the intendancies of Arauca and Casanare, and in the regions of Vichada and Guainia.

He also said that the soldiers have found the bodies of six guerrillas killed by the Army. In the past few hours four common graves have been found. They will be excavated in the next few hours by the authorities.

Peru

Minister Denies Coup, Expresses Fujimori Support

PY1611134690 Lima Television Peruana in Spanish 1100 GMT 16 Nov 90

[Excerpt] Defense Minister General Jorge Torres Aciego has reiterated that the Armed Forces are united and permanently support President Alberto Fujimori.

The defense minister also denied the existence of any coup attempt. Regarding remarks by the head of state, he said that they were just a joke that certain sectors have exaggerated.

[Begin recording] [Unidentified reporter] A few days ago President Fujimori pointed out the possibility of a coup by military sectors. What is the truth about this? Have any investigations been conducted in this respect?

[Torres] No. The president of the Republic made those remarks jokingly. It seems his remarks have been misrepresented. These misrepresentations have created a negative coup atmosphere. At no time has there been any coup or coup attempt.

At this moment, the Armed Forces are united and support the democratic government. Therefore, we must not talk at all about coup attempts or coups. [end recording] [passage omitted]

Strike Said Illegal; 72-Hour Deadline Declared

PA1611040490 Lima Television Peruana in Spanish 1200 GMT 15 Nov 90

[Text] The general indefinite strike decreed nine days ago by the workers of the Peruvian Institute of Social Security [IPSS] has been declared illegal by the IPSS

President Luis Castaneda, who gave the workers a 72-hour deadline to return to the jobs.

[Begin Castaneda recording] Taking into consideration the health risk, which is our raison d'etre, and to protect the same, two agreements were approved by the IPSS Directorate Board. The first agreement, which refers to the state of emergency decreed throughout the IPSS health services, was unanimously approved, and I shall now read it.

Whereas: The report from the director general of personnel was heard; taking into consideration the other reports presented by the administration concerning the general indefinite strike decreed by the IPSS labor unions; and taking into consideration that the IPSS workers' list of claims has been approved by Decree 1-21-IPSS-90, which is still valid, therefore a new list of claims cannot be negotiated until the previous one has expired;

Whereas: Each and every one of the clauses of the agreement has been abided by; furthermore, the IPSS's goal is to protect the people's health and the elderly. Consequently, the use of funds must be assigned, on a priority basis, to protect insured peoples' health and to pay the pensioners, based on the provisions of Article 13 of Law 2478.

Decrees:

1. The strike decreed by the IPSS workers is illegal. This agreement will be published tomorrow in EL PERUANO. Therefore, a 72-hour deadline will be in effect before implementing legal actions, which include dismissals.

2. The director general of personnel is authorized to take the necessary administrative actions. [end recording]

600,000 Employees Participate

PY1611115890 Madrid EFE in Spanish 0023 GMT 16 Nov 90

[Text] Lima, 15 Nov (EFE)—Today about 600,000 Peruvian public employees challenged the government by initiating an indefinite strike and asking for better salaries. This is the largest labor conflict confronted by the government of President Alberto Fujimori after governing the country for little more than 100 days.

The strike has virtually paralyzed all ministries, which are surrounded by several policemen to prevent the public from entering. No incidents have been reported, however.

Negotiations between the government and leaders of the Intersectorial Confederation of Public Employees (CITE), the labor union for public servants, have failed thus far, and the executive branch has decided not to increase salaries until January 1991. The government's proposal of a special payment for December, involving the delivery of food, has been rejected by the labor union organizations.

In a communique today, the military authorities reminded everyone that Lima is under a state of alert; therefore, no meetings or demonstrations can be held, and individual rights are not guaranteed, either.

In a public ceremony on 14 November, Fujimori criticized the "parasitic bureaucracy," branding the state employees as "idle hands." The leaders of the strikers justified the strike saying that 80 percent of them are earning very low salaries that range from $27 to $52 a month.

On the other hand, 42,000 social security workers and 5,000 social security nurses have been on strike for eight days now. Luis Castaneda Lossio, the president of the Peruvian Institute of Social Security, has threatened to fire the strikers and hire new personnel if the strikers do not go back to work within 72 hours.

The country's social and economic situation is serious; 55 percent of the population of 22 million is virtually in a state of misery.

Army-Peasant Patrol Attack Kills 45 Terrorists

PY1611023090 Buenos Aires NOTICIAS ARGENTINAS in Spanish 2330 GMT 15 Nov 90

[Text] Ayacucho, 15 Nov (AFP-NA)—Ayacucho peasants revealed in this city today that some 45 Shining Path members who were resting at Condor Senja Hill in Ayacucho were surprised and killed in a joint action by over 1,000 members of the Peasant Defense Patrols and an Army patrol. The bloody incident occurred on 22 October but was kept secret until journalists who traveled to the area could see it for themselves.

This could be the most serious mass killing this year. Over 1,000 members of the Peasant Defense Patrols and Army soldiers surrounded the camp, 280 km north of Ayacucho, near the border with Huancavelica Department, and launched a massive attack on the Shining Path camp. When the attack was over, 37 terrorists had been killed, including two pregnant women, and eight Shining Path terrorists had been captured.

Six members of the Peasant Defense Patrols died during the confrontation, which lasted over five hours. There were no reports of casualties among Army personnel.

According to the report, the eight terrorists captured by the Peasant Defense Patrols were also murdered two days after the incident. The rest of the group managed to escape into the Andean foothills.

At least 20 bodies were buried in three common graves near the area of the clash to avoid the spread of disease, the peasants said.

Police Arrest Two Presumed MRTA Members

PA1611040390 Lima Television Peruana in Spanish 0100 GMT 16 Nov 90

[Text] An Iquitos Technical Police Corps team has arrested five persons, including two who are presumed to be MRTA [Tupac Amaru Revolutionary Movement] members. The supposed rebels have been identified as Sixso Garcia Torres and Abel Camasalas. The latter is a health official in San Martin Department.

The policemen made the arrests on the night of 15 November. The officials were holding an inspection when a private aircraft arrived at Iquitos Airport. The policemen requested the documents of the aircraft's passengers and found that they were forgeries. It has been reported that Garcia Torres is one of the main MRTA leaders, who operated in the jungle of northeastern Peru.